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Yeltsin Signs UK Friendship Treaty; Calls for More Foreign Investment

After meeting British Prime Minister John Major in London yesterday and signing bilateral agreements and a treaty on relations, Russian President Boris Yeltsin told journalists the documents signify Britain's and Russia's "firm resolution" to build future relations "on the foundations of peace and friendship, close interaction, broad cooperation and reliable partnership," according to Radio Rossii. "The past age of confrontation has receded," he said, "the strategy of whipping up military hysteria and the policy of ideological intolerance have failed. The new democratic Russia is building its relations with the outside world on the basis of the generally accepted norms of international law and human morality."

Meanwhile, in a speech at the London Stock Exchange yesterday, Yeltsin confirmed that Russia would pay the former Soviet Union's debts, but on one condition: "I intend to seek official endorsement of the situation in which Russia becomes the only successor of the USSR both as regards its debts and, naturally, assets." Realizing the recent short-term postponements of Russian debt payments do not solve the debt problem, Yeltsin said he will seek the "restructuring of foreign debt of our country, conversion of property debts, [and] sales of third countries' debt commitments to the former Soviet Union in order to cover our debts." Yeltsin called on British businessmen to increase their trade with Russia and take advantage of new guarantees and "special funds" to "insure foreign investors from political risks."

Ukrainian Premier Warns Pressure From West May Affect START Ratification

Ukrainian Prime Minister Kuchma, speaking in an interview with LE MONDE on 4 November, has warned that Western pressure is having a negative effect on chances for ratification of the START treaty. He accused the West of "talking instead of acting" and of "pressuring Ukraine to prevent it from gaining access to the only markets where it could compete—space technology and weapons." Kuchma pointed out that "Ukraine is being asked to hand over its nuclear weapons to Russia 'without getting anything in exchange'—neither guarantees of its security nor material aid. Russia, meanwhile...is receiving a $1 billion contract for the sale of nuclear fuel to the United States." Noting that "deputies are already beginning to openly voice doubts about the benefits of this treaty for Ukraine," Kuchma asked: ""What advantage is there in all this for us?""

Chief of International Treaty Directorate Views Arms Control

PM0611141592 Moscow KRASNAYA ZVEZDA in Russian 6 Nov 92 p 3

[Interview with Major General D.K. Kharchenko, chief of the Russian Federation Defense Ministry's International Treaty Directorate, by Manki Ponomarev; place, date not given: "State Security Is Our Priority"]

[Text] Major General Dmitriy Konstantinovich Kharchenko was born in Vladikavkaz in November 1947. He joined the army in 1965. He graduated from the G.I. Zhukov Air Defense Military Command Academy in 1977 and from the General Staff Academy in 1990. He served in the Air Defense Forces. He was an aiming and guidance officer and commander of an air defense battalion and a combined unit. He fulfilled his international duty in Egypt.

Since August 1992 he has been chief of the Russian Federation Defense Ministry International Treaty Directorate.

[Ponomarev] Dmitriy Konstantinovich, the Russian Federation Defense Ministry International Treaty Directorate is a relatively new subdivision. It seems to be the successor to the former General Staff Treaty-Legal Directorate. With what was this transformation connected?

[Kharchenko] The International Treaty Directorate really is the successor to the General Staff Treaty-Legal Directorate. In this sense its purpose remains, by and large, as before: to organize and ensure the international process of talks on questions of security and the reduction of troops and arms.

But the new foreign policy realities—the breakup of the USSR and the resultant problems of the nearby foreign parts, the formation of the CIS, the setting up of the Defense Ministry in Russia—required serious corrections to the status and tasks of the former directorate.

The activities of the newly created International Treaty Directorate go beyond the General Staff. In the sphere of its own responsibility it is now a head organ on the scale of the entire Defense Ministry. In addition to the former tasks, the International Treaty Directorate has also been entrusted with certain new ones. They stem, first, from the broadening of the areas of the process of talks on disarmament topics. For example, we are now involved in talks on a global defense system and in drawing up a full-scale document on a framework accord between the Russian and U.S. presidents on further deep reductions in strategic offensive arms, etc. Second, they stem from the increased number of subjects of interstate talks and previously concluded agreements.

All this has been reflected in the structure of the International Treaty Directorate. In particular, a department has been set up—or, as we are accustomed to calling it, a sector—which participates in the organization of talks with states that used to belong to the Soviet Union.

[Ponomarev] Speaking of the arms limitation and reduction talks, we should evidently dwell primarily on the 1991 Treaty on Strategic Offensive Arms. What, in your view, is its significance today?

[Kharchenko] The Treaty on the Reduction and Limitation of Strategic Offensive Arms, or the START Treaty, as it is called for short, is a major contribution to lowering tension on a global scale and strengthening strategic stability. Its realization is making it possible to begin bringing the composition of strategic nuclear forces into line with the level of the existing danger of war and with the principle of defense sufficiency.

[Ponomarev] This treaty was concluded, Dmitriy Konstantinovich, in the name of the United States and the USSR. But now the Soviet Union no longer exists, and strategic offensive arms are not only in the United States and Russia but also on the territory of Ukraine, Belarus, and Kazakhstan, which used to belong to the USSR. Who is party to the treaty now?

[Kharchenko] An important question. I will remind you that the Protocol to the START Treaty was signed at the meeting of the Russian, Belarusian, Kazakh, Ukrainian, and U.S. foreign ministers in Lisbon in May. In accordance with this protocol, Belarus, Kazakhstan, Russia, and Ukraine assumed the commitments of the former USSR under the treaty. Under the Lisbon protocol Belarus, Kazakhstan, and Ukraine adopted pledges to subscribe to the 1968 Treaty on the Nonproliferation of Nuclear Weapons as soon as possible. And to subscribe to it—I wish particularly to emphasize this—as nonnuclear states.

Mindful of these circumstances, we should draw the incontestable conclusion that, of all the members of the Commonwealth, only Russia can be a nuclear state. It must bear all responsibility for the nuclear weapons of the former USSR.

[Ponomarev] The Russian Supreme Soviet ratified the START Treaty Wednesday. The U.S. Senate did so one month earlier. Why was there this delay? How do things stand with ratification of the treaty by Belarus, Kazakhstan, and Ukraine?

[Kharchenko] The delay can be blamed, above all, on the treaty's complexity and on our parliamentarians' legitimate desire to make an attentive study of its provisions and to weigh all the consequences associated with its realization. In addition, the fact that the CIS has been formed undoubtedly influenced the pace of ratification. Nuclear weapons of the former USSR, as we have already said, ended up on the territory of Belarus, Kazakhstan, and Ukraine, which became parties to the treaty. It was examined in the parliaments of these states, and Kazakhstan ratified it as early as July. The ratification process has entered the final stage in Belarus and Ukraine.

[Ponomarev] The START Treaty is an important stage on the way to reducing and limiting nuclear arms. An important stage, but not the last one. The so-called "framework accord" on a further major reduction of strategic offensive arms—to 3,000-3,500 units on each side—was reached during President B. Yeltsin's U.S. visit. It is now possible to encounter in the U.S. press allegations that Russia is hindering the transformation of this accord in principle into a full-scale treaty and advancing unacceptable terms. How do things stand here?

[Kharchenko] The framework accord is an agreement on a political plane, above all. The drafting of a legal document—the text of a treaty—on this basis is a complex and laborious process. The future treaty must take into account the balance of both sides' interests in such a vitally important sphere as nuclear arms and nuclear security.

The United States submitted its own draft document to us. We examined it attentively and drew the conclusion that its individual provisions require more specific wording and that some more work must be done on them. We familiarized the Americans with our viewpoint. Work is continuing at present, and the questions that arise are chiefly of a technical nature.

[Ponomarev] The signing of the Treaty on Conventional Armed Forces in Europe was a major achievement. Then difficulties arose over its interpretation and in connection with the breakup of the Warsaw Pact and the USSR. Who now are the parties to the Treaty on Conventional Armed Forces in Europe?

[Kharchenko] The Treaty on Conventional Armed Forces in Europe was signed in Paris on 19 November 1990 by the heads of state and government of 22 countries. The process of realizing the treaty began on 17 July 1992.

The number of subjects of the treaty has changed as a result of the changes in East European countries and the breakup of the Soviet Union. Precisely 29 states are now parties to it: the 16 NATO countries, five East European states that were members of the Warsaw Pact Organization, and eight states that are former republics of the USSR (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Moldova, Russia, and Ukraine) and that are in the treaty's zone of application.

[Ponomarev] So, are the main difficulties behind us now?

[Kharchenko] No, serious new problems have arisen, connected with the treaty's realization. Thus, in accordance with the requirements of this document, the participant states submitted information on their armed forces on the date of its signing. Next it was made more precise, and new data was submitted the moment the treaty came into force. They were significantly different from the original data. The total quantity of arms and hardware to be limited under the treaty had diminished. This is connected, above all, with the fact that some of the arms ascribed to the USSR had ended up outside the European part of Russia—moreover, frequently in places where combat operations are being conducted, as in the Transcaucasus, and where it is difficult to count them. In addition, double counting of the selfsame arms has come about in various states of the former USSR—in Russia and Ukraine, for example, with respect to arms of the marines and of airborne units.

The fulfillment of commitments under the treaty is also complicated by the fact that the total norms for the reduction of arms and military hardware have ended up lower than the reduction norm for the former USSR. The Russian Federation is in a difficult position: Its reduction norms could increase because certain states that are legal successors do not submit information on the receipt of arms and hardware from the former Union.

Nevertheless, Russia firmly intends to fulfill all the provisions of the Treaty on Conventional Armed Forces in Europe. For this, in particular, the Directorate for Realizing the Reduction of Armed Forces and Strategic Arms has been formed in the Defense Ministry. Ministry representatives are holding consultations and talks with military experts from other CIS countries to agree on unresolved questions.

[Ponomarev] Reports that Russia is allegedly violating its pledges in the sphere of chemical weapons have appeared in foreign mass media and in certain Russian newspapers.

[Kharchenko] I know of these reports. But there is a point here that their authors ignore deliberately or, maybe, simply out of ignorance. The thing is that neither Russia nor any other state has pledged to end the development of chemical weapons. Incidentally, nor have any bilateral or multilateral agreements not to produce them yet come into force. And yet, despite this, in 1987 we ceased production of such weapons, and since then we have observed a voluntarily adopted moratorium.

As for the United States, according to the data we have, the development of chemical weapons has not ended there and is continuing at the present time. One area of it covers new types of binary weapons based, for example, on toxins of intermediate volatility. A special role is also allocated to nonlethal toxins.

I wish to point out that a ban on the development, production, and use of chemical weapons and also the destruction of stockpiles of them are provided for in the corresponding draft convention, whose preparation was completed in September. It is planned to open it for signing in Paris in January 1993.

[Ponomarev] Problems of the withdrawal of Russian troops from the Baltic countries and from other nearby foreign states directly affect many readers of KRASNAYA ZVEZDA. How are the difficulties that are arising in this connection being resolved?

[Kharchenko] One point should be made clear at once. Because there has been a considerable increase recently in the volume of tasks connected with the Russian troop withdrawal, a directorate has been set up in the Russian Federation Defense Ministry to tackle this question directly. This does not mean, however, that the International Treaty Directorate remains a detached observer. The whole package of problems of bilateral relations with each of the nearby foreign states, including those connected with the troop withdrawal, is being examined within the framework of bilateral talks. The delegations at such talks include, as experts, representatives of the International Treaty Directorate.

Another important aspect of the International Treaty Directorate's activity connected with nearby foreign countries is the coordination of the efforts of interested states in realizing the START Treaty and the Treaty on Conventional Armed Forces in Europe. All these problems are reflected in international legal acts that are being drawn up, including with the very active participation of our directorate. We seek to ensure that they take Russia's security interests most fully into account.

Commentary Advocates Regional Conference on Asian Nuclear Policy

LD0711173092 Moscow Radio Moscow World Service in English 1210 GMT 7 Nov 92

[Commentary by Aleksey Kondratyev]

[Text] Amid reports about nuclear ambitions by a number of Asian countries. two opposite trends seem to be under way in the continent in the sphere of nuclear policies. And we follow with a commentary by Aleksey Kondratyev.

On the one hand steps are being taken to reduce the number of nuclear weapons. Russia for one has ratified and is already taking measures to cut the number of long range nuclear weapons under the Russian-American Strategic Arms Reduction Treaty. Moscow has also announced its nuclear weapons were no longer targetted on Asian countries and has extended its moratorium on nuclear testing. Three other former Soviet republics including Kazakhstan agreed on the transfer and subsequent elimination of former Soviet tactical weapons on Russian territory.

As an encouraging sign China joins the Nonproliferation Treaty and the Americans have withdrawn their nuclear weapons from South Korea. But on the other hand as if in a show of rivalry, two Asian giants, India and Pakistan, have both spoken of their ability to produce nuclear weapons. There are also reports about Iran's intention to join the ranks of nuclear powers in five to eight years from now and speculations are under way that Tehran has already begun its own nuclear program.

Despite the agreement with Seoul, Pyongyang is still reluctant to open up its nuclear installations for mutual inspection. For its part Israel is believed to be in possession of 100 nuclear bombs and doesn't want to curtail its nuclear program. Such are the realities of today and there's growing concern about a possible spread of nuclear weapons in Asia.

India is unwilling to join the Nonproliferation Treaty on the grounds that it's unjust and discriminatory towards the non-nuclear countries. For the same reason Delhi is opposed to the idea of denuclearizing South Asia. It and other Asian countries ambitious to have their own nuclear weapons bring up what they think strong enough arguments to support their case but the fact is Asia is in the face of widespread nuclear proliferation on the continent.

Is there a way out? One way of redressing the lamentable situation is to improve international environment including Asia's and a recent move by President Nazarbayev of Kazakhastan for a regional conference on confidence- building measures in Asia merits attention. Among other things such a forum may well discuss the problem of nonproliferation in the continent, something that no one but the Asian countries themselves will be able to resolve.

Baltic Council Holds 5 November Session

Highlights of Council Statement

WS0911130192 Vilnius ELTA NEWS BULLETIN in English 1616 GMT 6 Nov 92

[Text] Vilnius, 6 November 1992—On November 5, 1992 a meeting of the Council of the Baltic States took place in Vilnius. The situation that has resulted from the October 29, 1992, Decree of the President of the Russian Federation which demonstrates a change in Russia's position, as well as its intention to suspend the withdrawal of Russian troops from the territory of the Baltic States was discussed.

Lennart Meri, president of the Republic of Estonia, Anatolijs Gorbunovs, chairman of the Supreme Council of the Republic of Lithuania signed an address directed to the Heads of State of the Members of the Conference on Security and Cooperation in Europe (CSCE), the secretary general of NATO, and the secretary general of the European Council, as well as to the president of the European Parliament, the president of the Commission of the European Communities, and the president of the North Atlantic Assembly.

The address expressed the Council's great concern regarding the suspension of the withdrawal of Russian troops from the territories of Estonia, Latvia, and Lithuania which are still stationed therein and thus violate norms of international law. The address emphasized that the complete and early withdrawal of Russian Federation troops is the unconditional, international obligation of Russia, as the legal successor of the USSR. The withdrawal of Russian Federation troops from the three Baltic States must not be dependent on any political or socioeconomic conditions of one of the parties, and moreover, connected with economic relations between the parties.

Therefore, the Council of the Baltic States rejects the attempts of Russia to connect the withdrawal of Russian troops with alleged violations of human rights in Estonia and Latvia. It was emphasized that repeated international examinations of the compliance of legislation of said states with the norms of international law have been repeatedly carried out in the Baltic States and have confirmed such compliance. Recently, a delegation from the UN Office on Human Rights visited Latvia. On September 28, 1992, Estonia invited a mission from the CSCE Office for Democratic Institutions and Human Rights to investigate and assess the state of human rights in Estonia.

The meeting of the Council of the Baltic States stressed that Russia is obligated to honor and restore the violated human rights of thousands of Estonian, Latvian, and Lithuanian citizens who experienced repression and were deported to the territory of Russia.

The intolerability of the destruction of Estonian, Latvian, and Lithuania property by Russian troops in the process of withdrawing from the facilities occupied by these troops was discussed by the Council.

The Council of the Baltic States has urged the Government of the Russian Federation to completely and without delay withdraw its troops from the territories of Estonia, Latvia and Lithuania no later than the summer of 1993. Therefore, the heads of the Baltic States voiced their opinion against attempts to maintain any Russian military presence on the territories of those states after said term.

The Council of the Baltic States expressed the hope that the Russian Federation, being a member of the UN Security Council will abstain from actions which are incompatible with the objectives of the United Nations and lead to an increase of tension and destabilization in the Baltic Region and Northern Europe.

The leaders of the Baltic States also sent a letter to the secretary general of the United Nations, Butrus Butrus Ghali.

During the meeting it was emphasized that the participation of third party mediators and representatives, as well as international organizations, in the process of negotiations, including observation of the implementation of appropriate agreements after they have been signed, would promote a speedier and more effective solution of questions related to the withdrawal of Russian troops from the territories of the Baltic States.

Yeltsin Summit Proposal Said 'Acceptable'

WS0911130392 Vilnius ELTA NEWS BULLETIN in English 1616 GMT 6 Nov 92

[Text] Vilnius, 6 November 1992—Vytautas Landsbergis, Anatolijs Gorbunovs and Lennart Meri met Boris Yeltsin's proposal of a summit on the troops' removal issue with favour expressing, however, some surprise that the Russian president had first suspended the withdrawal and then proposed negotiations. "Nevertheless we think that the proposal is acceptable to all sides", the Baltic leaders noted at last night's press conference after the conclusion of the Baltic Council's session.

"Although some Russian diplomats assert that the Baltic States not always have identical views on technical aspects of their negotiations with Russia", the Estonian President Lennart Meri remarked, "it is not the case in reality. We are going to show our single will in carrying out the negotiations and to adhere to flexible tactics. Our common purpose is to ensure that the Baltic Sea region should become a region of peace and not a hot spot of international confrontation. I am sure this is in the interests of Russia, too", he concluded.

Details of CIS Defense Ministers' Meeting

PM0911152192 Moscow KRASNAYA ZVEZDA in Russian 7 Nov 92 p 2

[Anatoliy Dokuchayev report: "Collaboration Mechanisms Being Created"]

[Text] A news conference has taken place at the CIS Joint Armed Forces High Command. Journalists' questions were answered by Lieutenant General Valeriy Manilov, press secretary of the CIS Joint Armed Forces commander in chief. The subject was the results of the Council of Defense Ministers session held 4 November in Moscow and of the 5 November scientific and practical conference on the main problems of ensuring the Commonwealth states' collective military security.

Manilov noted that the way in which the Council of Ministers had considered documents and the purposefulness of the discussion at the conference confirm that the Commonwealth has entered a very important phase—a phase of implementing previously adopted agreements and creating mechanisms for practical collaboration in the sphere of collective security and joint defense. The draft agreements submitted for consideration by the Commonwealth heads of state on 4 November were initialed at the Council: on protecting the victims of armed conflicts (signed by all delegation heads present and the Georgian side, which joined the agreement); on approving the statute of the Council of CIS Defense Ministers; and on making amendments to the agreements on Strategic Forces (neither document was signed by the Ukrainian representatives).

It was reported at the news conference that statutes were also adopted: on the Commonwealth States Armed Forces Chiefs of Staff Committee (a collective military organ with consultative and recommendatory functions operating on an ad hoc basis); on the Committee for Nuclear Policy (designed to elaborate coordinated views on nuclear policy questions in the interests of all Commonwealth states); on committees of the CIS Joint Armed Forces High Command (for Armed Forces military organizational development and training, the military-technical committee, for manpower acquisition and cadres and rear services supply); and on Joint Armed Forces deputy chiefs of staff acting as representatives of the Commonwealth states' Armed Forces (on their status).

Official Terms Results 'Constructive'

LD0711132092

[Editorial Report] Moscow Mayak Radio Network in Russian at 2200 GMT on 6 November broadcasts a report on a session of the CIS Council of Defense Ministers meeting held in Moscow. Station correspondent Tatyana Chemodanova asks Lieutenant General Leonid Ivashov, secretary of the Defense Ministers Council, to comment on its results. Ivashov says:

"On the whole, I would assess the results positively and, perhaps, to mention just the main feature of this sitting: compared to all the previous sittings the conversation was more constructive. Even on the part of delegations of those states that in the past were perhaps too cautious and showed restraint." "Moreover, at a scientific-practical conference held after the sitting, the majority of those who spoke on behalf of the CIS states talked about the necessity of collective measures for guaranteeing Commonwealth military security on the whole and each member state in particular; moreover, about the priority of collective measures. The necessity of a stronger and deeper integration of military efforts and military structures was also under discussion and, of course, the historical [word indistinct] of setting up the combined Armed Forces in the form we have them today."

Asked whether all the issues on the agenda were resolved and which one was the most difficult, Ivashov says:

"All the issues on the agenda were discussed and decisions were made on them. The most complicated issue which—let's face it, the Ukrainian delegation has not yet signed it and Russia, so to speak, needs to agree on it at a higher level—was the issue of specifying the composition of strategic forces. The Chief Command, proceeding from the emerged situation, put forward a proposal to narrow down to a certain extent the criteria that determines the composition of strategic forces and to reduce it to strategic nuclear forces and backup systems for these forces. On the whole, all the states that have nuclear weapons on their territory agreed to this in principle. The agreement was reached. However, I would like to stress again that the Russian Federation delegation as well as the Ukrainian delegation, at this level having agreed to this accord on the composition, nevertheless have to agree on it at a higher level. I think that in the next few days this issue will be finalized and put forward to the heads of state for a decision on 4 December this year.

"As for the other issues, of course, there were discussions and disputes as always. I would say these discussions and disputes were aimed at improving documents and even, perhaps, at having more specific articles written in them."

NATO Black Sea Visit Seen as Threat to Russia, Ukraine

PM0611122792 Moscow KRASNAYA ZVEZDA in Russian 5 Nov 92 p 3

[Vladimir Pasyakin report: "NATO Squadron in Black Sea?"]

[Text] The incident at the beginning of the year when a U.S. nuclear submarine idly "stretching its legs" in Russian territorial waters in the Barents Sea "did not notice" a Russian submarine and collided with it is still fresh in the memory. And now, Admiral Igor Kasatonov, first deputy commander in chief of the Russian Navy (he is also acting commander of the Black Sea Fleet), has announced at a recent news conference that a NATO squadron consisting of seven ships belonging to the navies of the United States, Germany, Norway, Canada, the Netherlands, and Great Britain intends to enter the Black Sea. The aim of the "visit" is to take part in joint exercises with the Bulgarian and, possibly, the Romanian Navies.

In the closed waters of the Black Sea, where, undoubtedly, the lawful interests of Russia and Ukraine are represented, the appearance of such an armada cannot help but provoke concern. And if the tragedy of the bloody events in the Caucasus, the continuing attempt to split the Black Sea Fleet, and its loss of contacts with its former allies in the disintegrated Warsaw Pact are taken into account, it becomes clear that it is entirely possible that this region, too, could become a sphere of interest for the United States and its permanent allies. In Admiral Kasatonov's opinion, the political aims of the allied squadron's appearance in these waters cannot be explained as anything other than the flexing of muscles and an attempt to establish relations with new allies in the region formerly controlled by the USSR.

Yes, the Black Sea Fleet continues to defend the interests of virtually all republics of the former Union in the Black Sea. Going by this fall's stocktaking, the fleet does not look too bad from the viewpoint of combat preparation. Nor has there been any split in the fleet on national lines. But this, of course, is not enough to maintain unharmed the moral prestige of Russia, Ukraine, and the other CIS countries.

"Right now issues of the economic support of the fleet are being decided," Admiral Kasatonov stated to KRASNAYA ZVEZDA's correspondent. "We are agreeing on ship repair plans with Ukraine and Russia, and placing the fleet's orders with plants. Whoever they belong to—Ukraine or Russia—the ships must be repaired and maintained at the designated degree of combat readiness."

But if some movement has been noted on this issue, on others the split in the Black Sea Fleet is intensifying. This relates primarily to the creation of parallel structures of fleet command and control on the part of the Ukrainian Ministry of Defense. According to Kasatonov, the Ukrainian Navy Staff is already forming financial organs and a department of capital construction, which cannot help but affect the situation in the fleet. Not in a positive direction, moreover.

In the Saksiy Garrison, for example, an accommodation block built by fleet construction workers has been handed over in its entirety to servicemen who have taken the Ukrainian oath of allegiance. Students who have pledged themselves to Russia will have to leave—Russia does not have extortionate fees demanded by Ukraine to pay for the training of future fleet officers.

But still more acute is the question of recruiting the fleet's compulsory service personnel. Ukrainian and Russian draftees (50 percent from each republic) will not replenish the numbers discharged into the reserves, and therefore their workload will increase and the servicing of ship's equipment will deteriorate.

Exercises by NATO ships near our shores.... Maybe this will finally cool the hotheads and force them to seriously consider where the sundering of the Black Sea Fleet may lead, as well as the problems of ensuring reliable security in the Black Sea region for both Russia and Ukraine.

Reports Highlight Results of Yeltsin Visit to Great Britain

Yeltsin, Major Sign Six Agreements

LD0911185392 Moscow Mayak Radio Network in Russian 1600 GMT 9 Nov 92

[Report from London by special correspondent Andrey Ptashnikov]

[Text] [Ptashnikov] Good evening, esteemed radio listeners, good evening, esteemed Mr. Announcer. I am now in London, in a BBC studio, and I have a monitor in front of me on which I can see that the signing ceremony of the bilateral British-Russian documents has just ended. Altogether, six were signed. I don't know if it is worthwhile enumerating all of those documents—perhaps you have already got them all, Aleksandr?

[Announcer] No, so far we have received nothing.

[Ptashnikov] No? Well, in that case I will very briefly tell you what those documents are. Two of them are of particular importance: They are the treaty on the principles of relations between the two countries, and an agreement—an intergovernmental agreement—on economic cooperation; I reiterate, these two are the most important of the documents. Also, there are four other documents. They are: An agreement on introducing a direct or, as they call it, confidential telephone link between the Kremlin in Moscow and 10 Downing Street, which is the prime minister's London residence; the fourth document is a memorandum on the accord on providing assistance to Russia in ensuring safe transportation of scrapped nuclear weapons; the fifth document is a memorandum on the understanding on cooperation in ensuring civil aviation safety; and finally, the sixth is also a memorandum on understanding—on a program for Russian-British bilateral military contacts for the years 1993-94. Once again, these are only the titles of those documents.

Regarding the main documents, the treaty on the principles of relations between the two countries, for example, stipulates that the two sides will maintain peaceful and friendly relations, jointly search for solutions to international arguments and conflicts, cooperate on non-proliferation of nuclear armaments and other weapons of mass destruction, and also on banning chemical weapons. And also to cooperate closely in various spheres of economy. However, as I have already said, there is a separate intergovernmental agreement on economic cooperation. If I have another couple of minutes, I could tell you very briefly the gist of that agreement.

[Announcer] Yes, please.

[Ptashnikov] As regards the economy, the two sides have taken on the obligation to use all opportunities for paving the way to joint enterprising, for supporting joint enterprising, creating attractive conditions—as one might call them—for investment, and ensuring their protection; that is also of no little importance. Apart from that, Russia and Britain will interact within the framework of international financial organizations and will develop contacts in the sphere of training specialists. As you can see, there are no concrete figures in these documents—such as, for example, any details of British economic aid to us—they have not been mentioned.

However, I think, there may be a discussion of this subject in about half an hour's time at the London Stock Exchange—it is there that Boris Yeltsin is going to meet leading British bankers and businessmen, and it will be them, I imagine, whom he will try to persuade of the need for larger-scale economic aid to Russia, be it credits, humanitarian and technical aid, or investment in our economy. Incidentally, the Russian president is planning to make a speech at the Stock Exchange. It is expected to go on for about 20 to 30 minutes. And you know, some of its points have become known to us journalists on a preliminary basis. Have I got another minute?

[Announcer] Yes, please, this seems to be interesting.

[Ptashnikov] I repeat, all this is just preliminary information. It is expected that Yeltsin will speak in detail on the current, extremely difficult economic situation in Russia—I mean, in his conversation with leading British bankers and businessmen. Apart from that, he is also going to dwell on the steps which Russia is planning to take in order to put inflation under control, carry out privatization on a large scale, and speed up the land reform. It is expected that the Russian president will also talk about the measures being planned to attract foreign capital to Russia and to borrow British expertise in the sphere of small and medium-sized enterprises. And, of course, the issue of foreign debt of Russia and the CIS countries will be touched upon.

Now I am looking at the TV monitor and see a different picture there: The ceremony of signing the documents I listed before is over. Now British Prime Minister Major and Russian President Boris Yeltsin are talking to journalists in a brief news conference. Unfortunately, at the moment no sound is being transmitted, but I can imagine they are speaking on the progress of their negotiations, which had continued for over four hours. This is, in brief, what has already taken place.

Now a few words about what else the Russian president is going to do tonight. The final event of this day, after Boris Yeltsin's visit to the London Stock Exchange, will be his visit to the Royal Naval College where Prime Minister John Major will hold a reception in his honor. I have done my best to fit my report into the allotted time and tell in as much detail as I could about what has already happened in London today and what is coming.

[Announcer] Well, I think the speech President Yeltsin is expected to make at the Stock Exchange is of great interest not only to the British people....

[Ptashnikov] I think it is of interest first and foremost to the people of Russia.

Text of Russia-UK Treaty

LD0911185192 Moscow ITAR-TASS in English 1803 GMT 9 Nov 92

[Text] London November 9 TASS—Follows the full text of the treaty on the principles of relations between the United Kingdom of Great Britain and Northern Ireland and the Russian Federation signed by President Boris Yeltsin and Prime Minister John Major on Monday.

The United Kingdom of Great Britain and Northern Ireland and the Russian Federation;

recalling the friendship over centuries between the peoples of the United Kingdon and Russia; and reflecting the wishes of their peoples to enhance this friendship;

stressing the fundamental significance of the historic changes resulting from the end of the era of ideological and military confrontation in Europe;

guided by the aims and principles of the UN Charter, the provisions of the final act of the CSCE, the Paris Charter for a new Europe and other CSCE documents;

in the spirit of new partnership and co-operation exemplified by the joint declaration by the United Kingdom of Great Britain and Northern Ireland and the Russian Federation signed in London on 30 January 1992;

have agreed as follows:

Peace and Friendship

Article 1

There shall be peace and friendship between the Russian Federation and the United Kingdom of Great Britain and Northern Ireland.

Article 2

The parties, reaffirming their obligations under the Charter of the United Nations, and recognising their special responsibility as permanent members of the United Nations Security Council for the maintenance of international peace and security, undertake to work closely together in upholding the purposes and principles of the United Nations Charter, in strengthening the United Nations Organisation and in ensuring that the United Nations responds effectively to threats to international peace and security.

Article 3

The parties shall develop their relations in strict observance of the principles of international law and in good faith. They declare their commitment to the peaceful resolution of disputes, to an open society, to democratic principles and practices and to respect for human rights and the rule of law. They affirm that relations between them will be governed in particular by their commitments under the documents of the Conference on Security and Co-operation in Europe, including the Helsinki final act, the Charter of Paris for a new Europe, and the Helsinki document of 1992.

Article 4

The parties shall cooperate closely over major international problems. They shall work together bilaterally and within an appropriate multilateral framework in the search for solutions and for the peaceful settlement of disputes. To this end the parties shall hold regular consultations at the highest political levels, as well as between ministers of foreign affairs and other official representatives, to develop their bilateral relations and to coordinate their positions on international issues of mutual concern. When a situation so requires, the parties shall consult each other at short notice.

International Security, Arms Control and Disarmament

Article 5

The parties shall assist in every way international efforts to achieve effective arms control and to enhance military confidence and security. They shall cooperate to support international measures to reduce armed forces and arms to the minimum levels commensurate with legitimate defence needs. The parties shall develop exchanges at all levels between their respective Armed Forces and Defence Ministries, including in particular exchanges on democratic defence management, regular staff talks, high-level visits in both directions and contacts between military establishments and units.

Article 6

(1) The parties shall cooperate in promoting further measures to prevent the proliferation of nuclear and other weapons of mass destruction and the missile technology used to deliver them, and to encourage the pursuit of responsible policies on the transfer of conventional arms.

(2) The parties believe that the introduction and implementation of effective export controls are essential if these objectives are to be achieved, and agree to cooperate in promoting such controls.

(3) The parties shall cooperate to promote further accessions to the treaty on the non-proliferation of nuclear weapons and to secure its continuation at the extension conference in 1995.

(4) The parties shall consider further opportunities for cooperation on the safe disposal of those weapons of mass destruction which are to be eliminated.

Article 7

The parties shall cooperate towards strengthening of the 1972 convention on the prohibition of the development, production and stockpiling of bacteriological (biological)

and toxin weapons and on their destruction. They will strive for the signature and entry into force of an effective and verifiable multilateral convention to ban chemical weapons.

Article 8

(1) The parties shall cooperate within the framework of the Conference on Security and Cooperation in Europe, in particular in the new forum for security cooperation, to develop and implement measures to enhance openness, security and stability in military affairs. They will continue to improve security cooperation through contacts in this forum and elsewhere.

(2) The parties shall continue to work towards the full implementation of the treaty on conventional armed forces in Europe and of the concluding act of the negotiation on personnel strength of conventional armed forces in Europe.

(3) The parties shall abide by the guidelines on exports of conventional weapons agreed at the meeting of the five permanent members of the United Nations Security Council in October 1991.

Economic Cooperation

Article 9

(1) The parties, emphasising the importance of the integration of the Russian Federation into the international economic and financial system, shall cooperate within the International Monetary Fund and other international financial institutions.

(2) The parties agree that the development of relations between the European Community and the Russian Federation will complement and extend bilateral relations between the United Kingdom and the Russian Federation. The United Kingdom shall support the further development of relations between the Russian Federation and the European Community in accordance with the European Community's responsibilities.

Article 10

(1) Emphasising the central role in their relations of private enterprise and trade in accordance with the principles of a market economy, the parties shall seek to promote cooperation between businesses in the two countries in various areas, including:

—energy, in particular within the framework of the European energy charter

—agriculture, food processing and distribution

—banking, privatisation and other financial services

—development of small businesses

—management training

—aerospace and electronics

—information technology and telecommunications.

(2) The United Kingdom shall continue to support such activity inter alia through bilateral and multilateral programmes to which the United Kingdom may contribute as appropriate.

(3) The parties shall provide an effective legal framework for private investment. Each party shall provide legal protection for investment by nationals and legal persons of the other party.

Contacts Between Peoples

Article 11

The parties shall encourage wide and free contacts between the citizens of the United Kingdom and the Russian Federation. They shall work together to remove any remaining obstacles or impediments which may be encountered in the way of such contacts. The parties shall operate their respective arrangements for the issue of visas with the greatest possible degree of speed and efficiency.

Parliamentary Exchanges

Article 12

The parties shall encourage exchanges between members of their respective legislatures. They shall encourage cooperation and exchanges of experience in parliamentary procedures and practice, and in the preparation of legislation.

Cooperation in Other Fields

Article 13

The parties shall encourage contacts and exchanges of experience in public administration; in the judiciary and between legal bodies; and between press and media organisations. The parties shall promote the development of cultural and educational contacts and cooperation and exchanges between organisations and individuals in the two countries. The parties shall seek to promote wider study of the Russian language in the United Kingdom and of the English language in the Russian Federation.

Article 14

The parties shall encourage cooperation between their respective authrorities in other fields, and consider that the following fields are likely to be particularly appropriate in this respect:

(a) Scientific and technological cooperation, including exchanges of appropriate information and specialists;

(b) The environment, including the improvement of the environment and its protection from pollution;

(c) Measures to deal with natural disasters, ecological catastrophes and major industrial accidents;

(d) Civil nuclear energy, including nuclear safety;

(e) Transport, including infrastructure, research and development, science and technology;

(f) Construction;

(g) The fight against crime, including organised crime, drug trafficking, illegal international dealing in cultural treasures, and terrorism;

(h) Health care, including health care management.

Final Clauses

Article 15

The parties declare that this treaty does not detract from or otherwise displace the parties' respective rights and obligations either under existing bilateral and multilateral agreements to which they are party or arising from their membership of international organisations, and that cooperation under this treaty shall proceed to the extent that it is compatible with those rights and obligations. They declare that this treaty is not intended to affect the interests of any other state or groups of states.

Article 16

This treaty shall enter into force on the date of the exchange of notifications confirming that the appropriate internal procedures of each state which are necessary for the treaty to enter into force have been completed.

Article 17

This treaty shall be of unlimited duration but shall cease to be in force six months after the day upon which one party notifies the other party in writing of its intention to terminate its validity.

Done in duplicate at London this ninth day of November 1992 in the English and Russian languages, both texts being equally authoritative.

Yeltsin on Significance of Treaty

LD0911180692 Moscow Radio Rossii Network in Russian 1700 GMT 9 Nov 92

[Text] According to reports from London, during Russian President Boris Yeltsin's visit to Great Britain, six Russo- British documents have been signed. They include a treaty on the principles of relations between Russia and Great Britain. Boris Yeltsin noted that this document enshrines Russia's and Great Britain's firm resolution to build their future relations on the basis of peace and friendship, close interaction, broad cooperation and reliable partnership. The treaty, the president stressed, is for the sake of the present and future generations of the Russian and British peoples. In significance and scale the document is of extraordinary importance not only for the development of bilateral relations, but also for shaping the European and international climate.

After completing the talks and signing the Russo-British documents, Boris Yeltsin and John Major met journalists. The president of the Russian Federation said, inter alia:

[Begin Yeltsin recording] An interstate treaty has just been signed on the principles of relations between the Russian Federation and the United Kingdom of Great Britain and Northern Ireland. It would be hard to overestimate the significance of this document for our countries. On a legal basis, it enshrines the firm resolution of Russia and Britain to build their future relations on the foundations of peace and friendship, close interaction, broad cooperation and reliable partnership.

The past age of confrontation has receded, the strategy of whipping up military hysteria and the policy of ideological intolerance have failed. The new democratic Russia is building its relations with the outside world on the basis of the generally accepted norms of international law and human morality. Herein lies one of the reasons for the various changes which have taken place in Russo-British relations in just one year.

I appraise the treaty as a broad program of joint actions by Russia and Great Britain. This document is for the sake of the present and the future generations of the Russian and British peoples. Its noble aims and tasks are to support and deepen between our countries and peoples relations of peace and friendship, to make full use of the huge potential of mutually favorable, fruitful cooperation.

In the field of international security and arms control, our countries intend to help, in exemplary fashion, the effective reduction of armaments and disarmament and strength confidence in the military field.

In the sphere of economics, we are setting the aim of creating favorable conditions for close interaction by the entrepreneurs of both countries in various fields for the good of our peoples. And today four specific major programs were discussed. [end recording]

Text of Memorandum on Military Contacts

LD1011151192 Moscow ITAR-TASS World Service in Russian 1740 GMT 9 Nov 92

[Text] London, 9 Nov (ITAR-TASS)—Russian Defense Minister Pavel Grachev and Secretary for Defense of Great Britain Malcolm Rifkind signed a Memorandum here today on a program of Russian- British military contacts. Its full text follows:

MEMORANDUM

On a Program of Russian-British military contacts for 1993-1994

The Ministry of Defense of the Russian Federation and the Ministry of Defense of the United Kingdom of Great Britain and Northern Ireland,

acting in a spirit of partnership and cooperation, as envisaged by the Treaty on the principles of relations between the Russian Federation and the United Kingdom of Great Britain and Northern Ireland,

proceeding from the accords set out in the statement by the defense ministers of the Russian Federation and the United Kingdom of 23 July 1992,

with the aim of strengthening relations in the military sphere between our two countries,

have agreed to implement the following program of military contacts, which both ministries will periodically review with the aim of continuing it after 1994:

I. To discuss the state and prospects of Russian-British relations in the military field, to establish personal contacts between senior and junior command personnel of the armed forces of the two countries in order to implement the following visits:

1993 To Russia - by the commander of the Air Force of Great

Britain

- by the adjutant-general of Ground Forces To Great Britain - by the chief of general staff of the Armed

Forces of the Russian Federation

- by the Navy commander

1994 To Russia - by the chief of Defense Staff

- by the Navy commander To Great Britain - by the chief of staff of Ground Forces

- by the Air Force commander

II. For the purpose of exchanging opinions on military doctrines and security blueprints, on reduction of armed forces and studying the experience in military construction, to hold working meetings between delegations of the General Staff of the Armed Forces of the Russian Federation and the Defense Staff of Great Britain in London (1993) and in Moscow (1994).

III. For the purpose of exchanging work experience between administrations and services of the defense ministries to implement the following visits:

1993

To Russia - by a delegation of the financial service

of the Ministry of Defense of Great

Britain

1994 To Great Britain - by a delegation of the main military-

medical administration of the Ministry of

Defense of the Russian Federation

IV. In the interests of establishing friendly relations between armed forces' staff, exchanging military training experience and instructing servicemen, to conduct the following visits:

1993 To Russia - by a vessel of the British Navy

- by a paratroop unit delegation

- by an Air Force staff college delegation To Great Britain - by a vessel of the Russian Federation Navy

- by an N. G. Kuznetsov Naval Academy delegation

1994 To Russia - by a vessel of the British Navy

- by a naval college delegation

- by a delegation of cadets from Sandhurst

Infantry School for a training period To Great Britain - by a paratroop unit delegation

- the concert group of the Russian Ministry of

Defense's first own ceremonial band to give

concerts at British military bases

- by a delegation from the Y. A. Gagarin Air Force

Academy

V. In order to restore "twinned regiments" relations, which existed earlier between Russia and Britain, to hold an annual exchange of delegations between a tank regiment of the Kantemir Guards Division and a tank regiment of the "Queen's Own Hussars," with the following visits:

1993 To Great Britain - by a Kantemir Guards Division tank regiment

delegation

1994 To Russia - by a "Queen's Own Hussars" tank regiment

delegation

VI. In the interests of strengthening trust and cooperation in the field of training senior officer staff, to ensure the exchange of cadets between the Military Academy of the Russian Federation General Staff and the British Royal College for Defense Studies. The training of cadets of the Russian Federation Armed Forces and the Royal College for Defense Studies is to begin in 1993.

VII. To hold consultations, if need be, during the period of 1993-1994 for the purposes of exchanging information between experts in arms control and the nonproliferation of nuclear and other weapons of mass destruction, the running of the armed forces under a democracy, the retraining and employment of retired servicemen, and also military intelligence.

VIII. In line with an accord between the Defense Ministries of the Russian Federation and the United Kingdom of Great Britain and Northern Ireland, alterations can be made to the Program.

IX. The Program will be extended after 1994 and a Program of Russian-British military contacts for the next two-year period will be signed in June 1994.

Signed in London on 9 November 1992 in duplicate, in both Russian and English, both texts being equally authoritative.

For For the Ministry of Defense of the Ministry of Defense the United Kingdom of Great

of the Russian Federation Britain and Northern Ireland

P. Grachev M. Rifkind

General Friendship Treaty Signed With Britain

Yeltsin Seeks To Improve Relations

LD1011061692 Moscow Radio Rossii Network in Russian 0400 GMT 10 Nov 92

[Text] Boris Yeltsin continues his official visit to Great Britain. Speaking to Russian and foreign journalists, the president said:

[Begin Yeltsin recording] Today we are especially interested in a dynamic development of mutually beneficial economic relations with developed democratic states. Great Britain has a special place among them. The strategic course of the British leadership toward the deregulation and the primacy of private enterprise echoes the long-term aims confronting the process of Russian market reforms. We are very impressed with the exceptionally strong position taken by your country in the [words indistinct], especially in insurance, banking, transport, and consultations. It is widely acknowledged that London is a world financial center. We are very interested in the policy pursued by Great Britain toward small and medium business, such as targeted help from the state, selective government programs, and support for new businessmen. We want to actively learn all of this from your country. The Russian leadership is therefore aiming at eliminating obstacles hindering economic contacts between Russia and its foreign partners. Their most important component is foreign trade. [passage indistinct] [end recording]

Yeltsin Notes No Disagreements During Summit

LD1011091592 Moscow ITAR-TASS in English 0800 GMT 10 Nov 92

[By ITAR-TASS correspondent]

[Text] London November 10 TASS—"British Prime Minister John Major has subtly understood Russia, its singularity, the uniqueness of its reforms. This is why there was not a single disagreement between us during the London summit," Russian President Boris Yeltsin said, assessing the results of the Russo-British talks on Monday, the first day of his official visit to Great Britain. "The negotiations culminating in the signing of six joint documents," he added.

The main one was the treaty on the principles of Russo-British relations, signed between the two countries for the first time since 1766. The foregoing documents also included an agreement on economic cooperation and an agreement on direct classified telephone link between the Kremlin and 10 Downing Street. The sides also signed a memorandum on the programme on bilateral Russo-British military contacts for 1993-1994, a memorandum on understanding between the governments of the Russian Federation and Great Britain on cooperation in ensuring civil aviation safety and a memorandum on aid to Russia to ensure the safety of the transportation of reduced nuclear weapons, slated for dismantling and scrapping.

The new democratic Russia is basing its cooperation with the outside world on universally-accepted norms of international law and human morality. Yeltsin believes this is one of the reasons for the striking changes that have occurred in Russo-British relations over the past year.

Having signed a series of documents with Russia today, John Major believes, both countries have achieved a new level of relationships, thereby confirming their adherance to democratic values and partnership.

In light of the ongoing economic reforms in Russia, the sides have discussed prospects for further cooperation with such organisations as the European Community, the International Monetary Fund, the World Bank and the European Bank for Reconstruction and Development. Analysts note with satisfaction in this connection that Great Britain is ready to grant the former USSR an export credit of 280 million pounds and that agreement was reached during the current visit on credit guarantees. British businessmen have received with great interest Yeltsin's statement at the London stock exchange, where he urged British business to promote active cooperation with Russia. In Yeltsin's opinion, the participation of foreign businessmen in Russia's export trade will help stabilize the exchange rate for the rouble and stimulate currency circulation, will do away with many foreign trade monopolies in the country, will facilitate the marketing transactions, will boost export profits and, consequently, the purchase of goods for import, including in Britain.

In the sphere of international security and armaments control, it is stressed in the signed documents, Russia and Great Britain intend to contribute in every possible way to the effective reduction of armaments, to disarmament and to the strengthening of trust in the military domain. In foreign politics, both sides will continue their close bilateral cooperation in the U.N. Security Council and in the CSCE.

Yeltsin, Major Exchange Dinner Speeches 9 Nov

LD1011104792 Moscow ITAR-TASS in English 0940 GMT 10 Nov 92

[By ITAR-TASS correspondent]

[Text] London November 10 TASS—Prime Minister John Major gave a dinner at the Greenwich Naval College on Monday evening in honour of President Boris Yeltsin, currently paying an official visit to Great Britain. The Russian leader arrived at the college in the company of Prince Andrew, the son of Queen Elizabeth II. The college was built early in the 18th century by the famous British architect Christopher Wren.

Major and Yeltsin exchanged speeches during the dinner.

The British Prime Minister noted that the Russian president's first day in Great Britain was marked by the signing of the most comprehensive bilateral treaty since June 1766. He believes this confirms the intention of the two governments to work hand-in-hand as permanent members of the U.N. Security Council on key international problems of our epoch. Major said commercial relations between the two countries would be developed on market principles, and the treaty defined the areas of future cooperation. The changes now occuring in Russia and in other republics of the former Soviet Union are of great importance, he said. According to Major, Britain backs the programme of economic reforms launched in Russia. He expressed the hope that the Russian people would be able to muster their huge manpower and natural resources to overcome their current difficulties.

In his reply speech, Yeltsin expressed sincere gratitude for the warmth and cordiality with which the Russian delegation was greeted on the British Isles. "I regard this not only as a manifestation of hospitality. Through the Russian delegation, the British people are obviously hailing our new Russia, are expressing their solidarity with the Russian people in their far from easy progress along the road of democracy and reforms, towards decent human life. We have chosen this road conciencious and, despite all difficulties, we shall not turn back".

"Unfortunately," the president said, "there were periods in the histories of our two countries when cooperation between them was put to a serious test. But recently we used to view each other with mistrust and suspicion. The turning point came during the dramatic days of August 1991, when Great Britain was among the first countries to resolutely support democracy in Russia. We have jointly accomplished much during the year that has elapsed since then in the effort to turn our relations into partnership."

Discuss Financial Assistance to CIS

LD0911195792 Moscow ITAR-TASS in English 1942 GMT 9 Nov 92

[By ITAR-TASS correspondent]

[Text] London November 9 TASS—Great Britain is ready to grant to former Soviet Republics 280-million pounds sterling in export credit and Russian guarantees were agreed upon during talks with visiting President Boris Yeltsin, according to British Prime Minister John Major.

Great Britain also intends to prolong the activity of its "know how" fund which was created to provide a three-year long technical assistance to central and eastern Europe and double its financial resources, Major told a press conference on Monday.

He welcomed Yeltsin's statement that Russia is beginning to pay the former Soviet debt to British companies in the near future.

Reforms in Russia will take much time and international cooperation is necessary to boost them. Prospects of interaction with the European Community, the International Monetary Fund, the World Bank and the European Bank for Reconstruction and Development were discussed, the prime minister stressed.

Major said it was decided to strengthen Russian ties with the European Community and that an agreement on the issue should be urgently concluded.

It was agreed that Russia and Great Britain will continue to closely cooperate in foreign policy issues in the U.N. and CSCE frameworks. The British prime minister noted that both countries have got rid of the last vestiges of the "Cold War". Their citizens can now freely travel on the territory of the other state, joint research into the fate of British World War Two POWs was initiated, the Russian and British military began to closely interact.

Yeltsin Holds Talks With Leader of British Labor Party

LD1011132392 Moscow ITAR-TASS in English 1223 GMT 10 Nov 92

[Text] London November 10 TASS—Russian President Boris Yeltsin, now on an official visit in Britain, received British opposition leader John Smith here on Tuesday.

Smith, lawyer by profession, heads the British leading opposition party since last July after the labourists' defeat at the latest general elections in April, replacing its former leader Neil Kinnock.

According to the latest public polls, Smith enjoys the voters' greatest confidence among politicians and now even leads the present prime minister in popularity.

Yeltsin and Smith exchanged opinions on international issues during the meeting.

Yeltsin Meets Business Leaders; Addresses Stock Exchange

LD0911221292 Moscow Russian Television Network in Russian 2000 GMT 9 Nov 92

[Report by London correspondents A. Gurnov and V. Shishkovskiy, including recordings of remarks by Russian President Boris Yeltsin and British Prime Minister John Major at a news conference following the signing of accords, and of an address to British business leaders by Boris Yeltsin at the London Stock Exchange—from the "Vesti" newscast]

[Text] [Yeltsin, fading into Gurnov report] I regard today as a historic day in Russian-British relations....

[Gurnov] Boris Yeltsin said that after six hours of talks at the British prime minister's residence. The president singled out a treaty on the fundamentals of relations between the two countries as the most important of the documents signed.

Answering a "Vesti" question, John Major gave the following appraisal of the treaty.

[Major, in English with superimposed Russian translation] The treaty opens the way toward improving Russian-British relations compared to those which have been witnessed by many generations of our compatriots.

[Gurnov] The prime minister stressed, however, that this does not cover even half the events included in the program for the visit. It was already dusk in London when the presidential motorcade left Downing Street for the capital's Stock Exchange.

[Shishkovskiy] We are at the London Stock Exchange, the world's major currency and finance center. Captains of British business and managers of the country's leading banks and companies have come here to meet the Russian president. Sir Andrew Hugh Smith, the chairman, welcomed Boris Yeltsin and took him to the main hall where members of the Board of Directors of the Stock Exchange and Confederation of British Industry leaders waited.

Addressing the Russian President, Sir Andrew Smith particularly stressed the serious intention of British business to vigorously expand business links with our country.

The president of Russia noted in his speech that there are all the possibilities for this now.

[Yeltsin] The tasks that we have put to ourselves are very large-scale indeed. It is very difficult, of course, to fulfill them within short time limits. It is with understanding that we perceive the West's—including Britain's—desire to support Russia. We have a serious attitude toward the recommendations which are being given by experts from international currency and financial organizations. We see our priority not in thoroughly following theoretical postulates, even if they come from international organizations, but in really advancing toward a civilized market.

[Shishkovskiy] After the meeting Boris Yeltsin familiarized himself with the computer hall of the Stock Exchange where all financial operations are done, and spoke with specialists who voiced their desire to create a similar institution in Moscow, too.

It seemed that both sides were pleased with the exchange of views, which should be followed by concrete deeds.

Confirms Russia To Pay Soviet Debts

LD0911203592 Moscow ITAR-TASS in English 1959 GMT 9 Nov 92

[Text] London November 9 TASS—President Boris Yeltsin confirmed that Russia will pay the debts of the former Soviet Union, but wants to become the only successor to the Soviet debts and assets.

Russia is the only former Soviet Republic which has made any debt payments, Yeltsin said in a speech at the London Stock Exchange on Monday. "I intend to seek official endorsement of the situation in which Russia becomes the only successor of the USSR both as regards its debts and, naturally, assets", the president said.

He also said that "the point of departure in talks on debt servicing must be December 8, 1991, the last day of the existence of the Soviet Union. This means that the debts of the USSR up to 1991 are the subject of a special agreement".

The short-term postponements of Russian debt payments by the Paris and London Clubs of Creditors do not solve the debt problem in principle, the president stressed. "The way out from the situation envisages, we believe, first and foremost, the following: Restructuring of foreign debt of our country, conversion of property debts, sales of third countries' debt commitments to the former Soviet Union in order to cover our debts", Yeltsin said.

The president highly assessed the British approach to Russian foreign debt payments. Great Britain renders considerable help to Russia in holding negotiations with foreign creditors, he said.

However, the present-day level of Russian-British business relations is insufficient, he added. They still "experience considerable influence of stereotypes and images of Russia as a totalitarian state", where business was commanded by the Communist Party, according to the president.

But Russia has changed and this can be seen despite the economic crisis it is living through. The movement towards a free market economy has become the major direction of Russian development, according to Yeltsin.

The first ten months of reforms showed that we have patience, common sense, industriousness and, most

important, abilities to learn how to live a normal civilised economic life, the president added.

Future reforms in the country will be based on control over inflation, restructuring of national economy, large-scale privatisation, land reform and boosting competition, Yeltsin said.

The president called on foreign businessmen to be active in trade with Russia. Rouble prices on the Russian market are lower than the world ones, most export quotas for raw materials are traded at exchanges and auctions. Foreign participation in Russian trade will help stabilise the rouble and enlarge hard currency market, destroy many of foreign trade monopolies, ease sales of products, increase export incomes and thus raise imports, including from Great Britain.

Yeltsin said new guarantees will be granted to ensure a free flow of goods through Russian borders. "We are beginning to create special funds which will insure foreign investors from political risks. The decision has already been adopted. This will add economic guarantees to legal ones", he stressed.

Yeltsin added that he had agreed with Prime Minister John Major that the British Government will ensure the protection of several projects in Russia from "political risk".

The president also stressed the necessity to eliminate COCOM [Coordinating Committee for Multilateral Export Controls] trade barriers towards Russia which should be finally granted the most favoured nation regime. "There is direct mutual interest in the sphere", Yeltsin said.

Meets European Bank Officials

LD1011131692 Moscow ITAR-TASS in English 1228 GMT 10 Nov 92

[By ITAR-TASS correspondent]

[Text] London November 10 TASS—Russian President Boris Yeltsin told officials of the European Bank for Reconstruction and Development [EBRD] that traditional methods they use are not always suitable for Russia.

"Perhaps the European Bank might have felt that Russia is a rare country. Not all measures justified in other places can provide the necessary effect there. Sometimes they may lead to completely unexpected results", Yeltsin said on Tuesday in the bank's headquarters in London.

The bank which appeared in Spring of 1991 is intended to finance various projects in Eastern Europe and former Soviet republics.

The Russian president who was welcomed by the bank's President Jacques Attali said he is sure that the EBRD leadership is ready to support Russian reforms and is looking for effective methods of the support. "I am sure that if we act together and in constant and close contact, the results will be considerably greater", Yeltsin said.

"The meeting was constructive and we discussed details of our bank's operations. We have accumulated a 10-billion dollar capital and we discussed concrete issues of using the finances", Attali told TASS, adding that the speech of the Russian president was very useful for the bank's leadership.

To Reduce Value Added Tax

LD0911220492 Moscow ITAR-TASS in English 2135 GMT 9 Nov 92

[Text] London November 10 TASS—By signing the package of agreements, Russia and Britain have embarked on the path leading towards new relations between the two states, British Prime Minister John Major told a news conference in London on Monday.

For decades their relations were complicated by mutual mistrust and disagreements, Major said. He expressed support for Russia's efforts to build a new democratic future.

Speaking about the pace of economic reform in Russia, President Boris Yeltsin said "many hardships are still before us, but the biggest of them are behind." He said the government is struggling to stop the unprecedented production decline in the country. To fight the economic slump, the government is planning to ease taxes in 1993, reducing the value added tax from 28 to 20 per cent and decreasing income tax.

Vows No Return to 'Communist Paradise'

LD1011121392 Moscow Mayak Radio Network in Russian 1100 GMT 10 Nov 92

[Text] The Russian Government has a clear-cut strategy for switching over to market relations and free enterprise, and it will be consistently implemented, [Russian President] Boris Yeltsin said, addressing members of the British Parliament.

According to him, the economic sphere is the main battlefield as far as the establishment of democratic principles in our country is concerned. Boris Yeltsin thinks that despite the hysterics of reform opponents, Russia will not come to a halt or turn back. This is the will of our people who will not forgo the freedom that they have acquired and will not return to the so-called communist paradise. This is the stance of the whole world community, all our close and remote friends who are giving Russia invaluable support, the Russian president noted.

Yeltsin To Seek 'Zero Option' on Hungarian Debts

LD1011104492 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0900 GMT 10 Nov 92

[From the "Novosti" newscast]

[Text] The Russian president will arrive in Budapest from London. Former USSR President Gorbachev was the last to pay an official visit to Hungary, back in 1985. Ostensibly, at that time, he had the rank of general secretary of the CPSU Central Committee. Undoubtedly, some rather sensitive issues in terms of bilateral relations will be raised in the course of Yeltsin's visit to Hungary—the real estate of the Southern Group of Forces and the scale of compensation for environmental pollution—something the Hungarian side is insisting on.

In a conversation with journalists, President Yeltsin himself expressed the hope for a zero option in solving this disagreement, which would mean that both sides would drop their claims.

Filatov, Britain's Newton Discuss Parliamentary Ties

LD0911221192 Moscow ITAR-TASS in English 2108 GMT 9 Nov 92

[By ITAR-TASS correspondent]

[Text] London November 9 TASS—Russian First Deputy Parliament Speaker Sergey Filatov, on a visit to Great Britain together with Russian President Boris Yeltsin, met Antony Newton, leader of the House of Commons of the British Parliament on Monday.

They discussed prospects of contacts between Russian and British parliamentarians.

IZVESTIYA Reviews Yeltsin Visit to United Kingdom

PM1011170592 Moscow IZVESTIYA in Russian 11 Nov 92 Morning Edition pp 1, 5

[Aleksandr Krivopalov report: "B. Yeltsin's Visit to Britain Has Shown That the West Will Be Friends With Us But Will Never Maintain Us"]

[Text] London—The Russian Federation president is continuing his official visit to Britain. B. Yeltsin has been shown a rare honor for a foreigner: He has been invited to address members of both houses of parliament—the oldest parliament on the European continent—from the royal gallery of the Palace of Westminster. Today, the final day of the visit, there will also be lunch at Buckingham Palace—with Her Majesty Queen Elizabeth II, who is receiving the guest from Russia along with her husband, the duke of Edinburgh.

As is known, they both have blood ties with Nicholas II, whose family came to a martyr's end in Yekaterinburg, where Yeltsin's political star subsequently rose.

Incidentally, special laboratories of the UK Home Office and very experienced crime scientists are studying fragments of skeletons which were taken from a burial in the environs of the Urals city and brought here. These really could be the remains of members of the imperial family...

The British press is asking variations on the question: Why was the Russian president's visit to London necessary? Its most important results include a treaty signed on the principles of relations between the Russian Federation and the United Kingdom of Great Britain and Northern Ireland.

Commentators here draw attention, above all, to the fact that this is essentially a friendship treaty. Many, starting with British premier J. Major, who sealed this document with his signature along with B. Yeltsin, recall that no Anglo-Russian agreement on this scale has been concluded since 1766.

Let us not idealize the history: Over the centuries which have elapsed since then relations between the two countries have evolved in different ways. One thing is obvious: Now they are really making the switch from neutral partnership (even that was not achieved at once and required effort and a show of good will on the part of Moscow and London before the breakup of the USSR) toward closer cooperation.

Commenting on the treaty concluded, the Russian president emphasized that the epoch of confrontation and war hysteria and the politics of ideological intolerance have receded into the past. The new democratic Russia is building its relations with the outside world on the basis of the universally recognized norms of international law.

In the opinion of B.N. Yeltsin, who met with journalists after his talks with Prime Minister J. Major at 10 Downing Street, this is one of the reasons for the changes in Russo-British relations.

The list of the documents prepared for the London meeting in itself probably gives an idea of the degree of trust and mutual understanding reached by the two countries. There are agreements on economic cooperation and on military ties in 1993-1994; an agreement on a direct telephone link between the Kremlin and the prime minister's Downing Street office; an accord on giving Russia assistance in dismantling and destroying nuclear weapons; and a memorandum on cooperation in the struggle against air terrorism.

Although no sensations were expected at the London summit, the very fact that there have been no disagreements between the participants in the top-level talks when discussing so many complex problems has probably been a sensation.

Nor were there any disagreements in the discussion of one of the most complex problems of Russo-British ties. Addressing representatives of the British business world gathered in the London Stock Exchange, B. Yeltsin remarked with his characteristic straightforwardness: I consider the present level of business ties between the two countries inadequate. They are stuck in the past, as it were.

Indeed, for various reasons this is precisely how things are. In the opinion of the FINANCIAL TIMES, for

example, two-way trade remains small. True, the newspaper does believe that the prospects for exports from the UK to the former Soviet Union appear to be reassuring.

After emphasizing that Moscow is now examining special measures to attract foreign capital, B. Yeltsin reported that a decision is being prepared on granting foreigners the right to open ruble accounts in Russia and to sell hard currency on currency exchanges. A mechanism is being worked out in practice for foreign subjects to acquire ownership of property, real estate, etc. A start has been made on the creation of special funds to insure foreign investors against political risk.

The president also touched on a very delicate topic—debts to the West. B. Yeltsin recalled that none of the members of the CIS is making any payments to clear the old, common debts of the USSR. He said that he intends to seek a special decision, under which the Russian Federation will be the sole legal successor to the former USSR—in respect both of its debts and, naturally, its assets.

The president also mentioned that the restrictions established by the Coordinating Committee for Multilateral Export Controls, which are still in force, hinder the development of normal trade relations with our country. Russia must be granted most-favored-nation status, the president declared.

B. Yeltsin concluded his meeting with businessmen by jokily repeating a saying popular in the City: "There is no such thing as a free lunch"—thus answering the accusations leveled here that Yeltsin had come to London for handouts. This visit has shown once again that the West will be friends with us and will help us. It will never maintain us.

Yeltsin Cables Condolences On Dubcek's Death

LD0911210292 Moscow ITAR-TASS in English 1638 GMT 9 Nov 92

[By ITAR-TASS correspondent Vitaliy Yaroshevskiy]

[Text] Prague November 9 TASS—Russian President Boris Yeltsin expressed deep condolences to the Czechoslovakian leadership over the death of Chairman of the Federal Assembly Alexander Dubcek.

Dubcek was known in Russia as a staunch champion for democracy, freedom and justice in eastern Europe, Yeltsin said in a telegramme to Czechoslovakian Prime Minister Jan Strasky and head of the Federal Parliament Michal Kovac.

The Russian president asked to extend his deep condolences to the family and relatives of the deceased.

KRASNAYA ZVEZDA Eyes Clinton's Foreign Policy Agenda

PM0911101792 Moscow KRASNAYA ZVEZDA in Russian 7 Nov 92 p 2

[Manki Ponomarev article under the rubric "Russia, the Commonwealth, the World": "Bill Clinton on Foreign Policy Priorities"]

[Text] The result of the U.S. presidential election confirmed what virtually all the analysts predicted. Bill Clinton won because during the election campaign he concentrated mainly on domestic problems, which worry Americans most of all. But this does not mean that he had no foreign policy program. He spoke a number of times on that score, specifically in an interview in THE NEW YORK TIMES on the eve of the election and in a speech in Little Rock right after the election. What are the foreign policy priorities of the 42d head of the White House?

In Clinton's opinion, the most serious threats that the United States will probably have to face in the years ahead are, first, the possibility of armed conflict among the former Soviet republics or at least the emergence of an extremely nationalistic and aggressive regime in Russia which will continue to possess strategic nuclear arms; second, the proliferation of weapons of mass destruction; and third, tension in various parts of the world, interethnic enmity, and violence caused by separatism in the former Yugoslavia, India, and elsewhere.

B. Clinton confirmed the "continuity of U.S. foreign policy as a whole." He stated in Little Rock: "I shall seek close cooperation with President Bush to ensure continuity on global issues of interest to all Americans, ranging from further progress at the Near East peace talks to the completion of talks relating to the details of the START arms control agreement, progress at our talks on world trade, support for the emergent democracies in Russia, and cooperation to achieve the peaceful settlement of the conflicts in the republics of the former Yugoslavia and help to the victims of the famine in Somalia."

At the same time, the new president resolutely disagrees with Bush on many foreign policy questions and intends making substantial changes to policy on individual countries. He also intends major changes in the military policy sphere. For example, he proposes curtailing a number of ambitious Pentagon plans and cutting its budget by $100 billion, reducing America's military presence in Europe to 75,000-100,000 servicemen, and participating in peacekeeping actions in the world's trouble spots only under the UN flag with the help of rapid deployment forces. Nevertheless, the newly elected president says that the world still lives in dangerous times and feels it necessary to stress: "I am committed to preserving the position of the world's first military power."

But so far this thesis has not been developed. The emphasis is being placed primarily on encouraging democracy and respect for human rights. In this regard the new head of the White House intends acting more decisively, especially toward China, Syria, and North Korea—those places where Bush, in his words, has "been spineless and complacent."

The new U.S. Administration, according to its head, intends paying great attention to the Near and Middle East and working for arms control throughout the region. Priority is given to relations with Israel—to ensuring its qualitative military superiority over potential enemies. At the Arab-Israeli talks, where the United States acts as mediator, the White House will seek to ensure Israel's security and satisfy the Arabs' just demands.

As for Yugoslavia, Clinton highlights the fact that for the first time since the end of the "cold war," the world community is facing a test of a fundamental principle in Europe, namely that internationally recognized borders cannot be changed by means of violence and that the rights of ethnic minorities must be respected. The way that this crisis is resolved will be a yardstick for the solution of other interethnic conflicts.

Support for democracy in Russia remains a foreign policy priority for the head of the new U.S. Administration. He has stressed a number of times that he intends continuing the necessary financial, economic, and humanitarian aid to the former Soviet republics. Bill Clinton spelled out his position in particular during his meeting with Russian President Boris Yeltsin in summer. He intends working with the leaders of the republics of the former USSR on nuclear arms control and reduction problems.

The new head of the White House regards with approval the recently adopted law which envisages aid to the new republics of the former Soviet Union during the transition to democracy and a free market economy. At the same time, the possibility of the failure of the transition to political and economic freedom in Russia, Ukraine, and other former Soviet republics causes him great concern from the viewpoint of U.S. national security.

"Support for the democratic reformers in accomplishing this transition," B. Clinton stresses, "meets our national interests because, if we look at Russia, a democratic Russia will mean reduced military spending, reduced nuclear danger, and access to Russia's vast resources through world trade, as well the emergence of new markets for U.S. goods." With his customary special interest in the economy, he added: "Such aid is a sensible investment of capital in our future as well as theirs."

The 42d U.S. President ends his international policy views on the same note. My first priority in foreign policy as in domestic policy will be the same, he stresses: To revive the U.S. economy and restore the country's economic might so that it can play its role in the world world. "The most important problem that we face," Bill Clinton states, "is the economic crisis in America. Unless we are strong at home we cannot be strong abroad."

Of course, this is just an outline of the U.S. foreign policy platform for the years ahead. It will acquire precise form in January when the new president makes the traditional "State of the Union" address." But the essence of it is already clear today.

IZVESTIYA Ponders Clinton's Foreign Policy

PM0911115192 Moscow IZVESTIYA in Russian 7 Nov 92 Morning Edition p 4

[Report by Aleksandr Shalnev: "People in Washington Reckon Clinton Faces More Difficult Problems Than Those Bush Has Had To Face. One of Them is the Situation in Russia"]

[Text] Washington—Bill Clinton, future President of the United States, began day two—after his election victory—by speaking on the telephone with the heads of state or government of Mexico, Canada, Argentina, Italy, and Britain, and with African National Congress leader Nelson Mandela.

Russian President Boris Yeltisn was among those with whom Clinton spoke.

According to Clinton, the presidents talked about Russian affairs, among other things. "I said," Clinton reported, "that I support democracy and free market reforms. I also said that the president would probably recall that we met when he was here (in June—A. Shalnev)."

At the same time, the new President and those closest to him are too busy with "domestic" problems at the moment to be able to pay more than cursory attention to foreign policy. So the telephone calls to foreign leaders, which were purely for the purpose of introduction, and the first foreign policy statement, the true purpose of which was to tell the world: "George Bush will remain in office for another two and one-half months, so if you have any problems, tackle them with him"—all this certainly indicates that international affairs are not Clinton's top priority at the moment.

Moreover, the Arkansas governor's advisers who will be handling foreign policy in the new administration are not agreed on what the Clinton administration's main guidelines, strategy, and tactics should be in the sphere of international activity. This should not come as much of a surprise, since Clinton, in keeping with his long tradition of always seeking a consensus and being "all things to all men," has been selecting his team of foreign policy advisers accordingly. In it, according to THE NEW YORK TIMES, one can expect to find "both doves and hawks, advocating the kind of toughness the late Senator Henry Jackson once advocated... The team includes both those who favor multilateral efforts with the emphasis on the United Nations, and those who

believe that the United States can intervene on a unilateral basis, to uphold its own interests."

It seems to me that the situation will be complicated by what I would call the "Gore factor": Senator Albert Gore, now elected vice president, is regarded on Capitol Hill as an expert primarily on foreign policy matters, and on arms control matters in particular. He is unlikely to be satisfied with the role of passive observer, which is traditionally allocated to vice presidents (during his vice presidency Bush was known primarily for his frequent visits to attend foreign leaders' funerals), and he will certainly be seeking to put into practice what he was dealing with predominantly on the theoretical plane as a legislator.

What could this mean? If we are talking about how relations might develop between the Clinton White House and the Kremlin, it must be pointed out that Albert Gore authored or coauthored a series of amendments to the Freedom Support Act, that is, on assistance for the former Union, above all amendments which will significantly restrict assistance for us or even suspend it unless we meet particular conditions. The conditions include the return of Rabbi Schneerson's library, which is housed in the Lenin Library.

But Gore is not the only advocate in the future White House of linkage between issues. Bill Clinton also favors this approach: In one statement he made as a candidate, he said, in particular, that "we must link the rendering of humanitarian assistance by the United States and the West to the former USSR republics' consent to observe all the accords reached by the Soviet authorities."

Literally on election eve, Secretary of Defense Richard Cheney, addressing a conference in Washington, warned: "Although the cold war is over, the problems and challenges that will have to be faced by the administration in office after the election will be far more complex and far tougher than those we have faced over the past four years." He highlighted the situation in Russia as one of these problems.

In turn, General Colin Powell, chairman of the Joint Chiefs of Staff, defined three key "sets of concerns" for the next administration: The Persian Gulf, the former Union, and the so-called "southern zone of instability," which runs through the underbelly of the CIS, taking in the Balkans.

Neither the minister nor the general said anything with which most U.S. analysts would not have agreed, anything that would have been a revelation to people in the Clinton-Gore foreign policy team. The question is, of course, to what extent Clinton himself will be prepared to modify slightly the priorities he defined during the election campaign, concentrating almost entirely on "domestic" matters. Second question: Are there people in Clinton's entourage who are experienced and able enough to resolve these problems and tackle these challenges?

I think Leslie Gelb, observer on THE NEW YORK TIMES, who held a senior post in Carter's Department of State, was right when he wrote: "Finding the right secretary of state will be a problem. Hundreds of Democrats dream of heading the diplomatic department, and they are sure they are more than suitable for the post. But Clinton will very soon realize that there are no Democrats with sufficient authority and weight at the moment to be able to take up the post and inspire calm and confidence in foreign leaders. The Democrats have been out of office for too long for them to have people with worldwide reputations at the moment."

So the hypothesis doing the rounds in Washington at the moment is: Might it not be that Clinton, who has in his foreign policy team and, incidentally, in his economic team, a great many theoreticians from various universities and many lawyers, but no current practitioners, and practically no people with military experience; might it not be that the future President will turn to the Republicans for help. James Baker's name is often mentioned in this connection, as one who could be instructed to finish what he has started—bring the multilateral Near East talks to a productive conclusion.

But there is practically no information from Little Rock, where the future President is still stationed, about who might be appointed where. The confidentiality is so strict that journalists who have gotten used to leaks from all administrations are beginning to get worried. Although it has been given to understand that Clinton will be prepared to name his transitional team on Monday at the latest: It will be more or less clear from who is given charge of foreign policy appointments in this team what these appointments will be.

ROSSIYSKAYA GAZETA Views U.S. Congressional Elections

PM0911113992 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 92 First Edition p 7

[Sergey Larin report under the rubric "Parliaments of the World": "United States: Democrats Take Capitol By Storm"]

[Text] The U.S. Congress was created in accordance with Article 1 of the Constitution, which provides for the transfer of all legislative power to the Senate and the House of Representatives. The first session of the Congress took place 4 March 1789.

The U.S. Congress consists of two chambers: the Senate and the House of Representatives.

The Senate consists of two senators per state elected for six years by direct and equal vote. Every two years one-third of the Senate is replaced. The Senate can initiate any draft laws except financial ones, which can only originate in the House. It can rescind or amend any draft law presented by the House. The Senate ratifies international treaties concluded by the President and approves appointments made by the President.

The House of Representatives (435 members) is elected by direct, equal vote under the majority system of representation for a term of two years.

Unlike the Senate, whose members represent the interests of the states, the powers of representatives are not interlinked with those of the executive and the judiciary. The House's significance is based primarily on the right to initiate legislation on questions pertaining to taxation and appropriations. The House has the right to elect the President if no candidate polls over one-half of the electorate's votes. The Senate has a similar right regarding the vice president.

Congress meets in regular session once a year. In addition, Congress can be convened by the President for extraordinary sessions. Around 38,000 people provide backup for the work of Congress.

The keen contest for the U.S. presidency somewhat overshadowed the fact that, on the first Tuesday after the first Monday in November, Americans voted not just for their new leader but also reelected all the members of the House and one-third of the Senate. Yet the question of whether the Republicans or the Democrats hold the majority in Congress determines to a definite degree the development of the highly complex mutual relations between the first and second estates—the legislative and the executive. But even though Congress will be "democratic" with a Democrat in charge of the White House, this of course does not mean that Capitol Hill is going to be working hand in glove with the administration. This also applies when the arrangement of forces favors the Republican Party.

This year the Democrats confidently took Capitol Hill by storm. And they managed to retain their majority in both the Senate and the House. They have already won 257 seats in the House (as against 174 by the Republicans) and in the Senate they won 57 (against their rivals' 42). The final figures are still being computed.

The results of the Senate elections in Illinois were sensational. The Democratic Party's candidate Carol Bron won there. She is the first black woman in U.S. history to enter office on Capitol Hill.

John Glenn (Democrat, Ohio) was reelected. He is a former astronaut and the first American in space.

Admittedly, the Republicans, who have substantial political clout, have not given up. In Kansas, for example, Robert Dole, leader of the Republican minority in the Senate, was elected for another term.

Vermont socialist Bernard Sanders, the only congressman not belonging to either of the two main political camps in America, retained his seat in the House.

But no matter who takes the helm of legislative power in the United States, the well-oiled machinery of parliamentary decisionmaking is not going to seriously misfire, nor is it likely that the "chain" linking the Senate and the House will be broken.

Kozyrev, Greek Counterpart Sign Treaty, Discuss Macedonia

OW0711142092 Moscow INTERFAX in English 1350 GMT 7 Nov 92

[Following item transmitted via KYODO]

[Text] On Saturday, Russian and Greek Foreign Ministers Andrey Kozyrev and Mikhail Papakonstandinou initialled the treaty of friendship and cooperation, and signed a protocol on consultations between the two countries' foreign ministries.

Andrey Kozyrev described the treaty as a progressive document reflecting the current stage in Russian-Greek relations and giving a strong impetus to political, economic and cultural cooperation.

The Greek minister gave a similar assessment of the treaty. "My talks in Moscow were an absolute success," he said. In Moscow the Greek foreign minister confirmed the invitation to President Yeltsin and Foreign Minister Andrey Kozyrev to pay an official visit to Athens.

The Russian and Greek foreign ministers also noted that their countries' positions on the majority of the issues discussed in Moscow are similar or identical. The only problem standing by itself is the Macedonia issue. Russia has recognized this republic of former Yugoslavia despite Greece's objections. (Greece believes that the Republic of Skopje has no right to bear the name of Macedonia, because this is the historical name of a Greek province.) The Greek foreign minister said that in Moscow he was assured that Russia will not establish official diplomatic relations with Skopje before this question is settled within the EC framework. In his turn, Andrey Kozyrev expressed hope that this process will not last for long and that the EC will soon find a solution to the Macedonian problem.

Address News Conference

LD0711225592 Moscow ITAR-TASS in English 2206 GMT 7 Nov 92

[By ITAR-TASS diplomatic correspondents Rostislav Gertsev and Georgiy Shmelev]

[Text] Moscow November 8 TASS—The Russian-Greek talks were held in an atmosphere of complete mutual understanding and demonstrated "ultimate closeness" of the two sides' approaches to the problems discussed. The statement was made by Russian Federation's Foreign Minister Andrey Kozyrev at a news conference dedicated to completion of the talks with Greek Foreign Minister Mikhail Papakonstandinou on Saturday.

"We stressed the necessity of boosting the generally dynamic bilateral relations",—Kozyrev pointed out. We discussed problems, pertaining to the development of relations in the Black Sea region as well as CSCE cooperation, situation on the Balkans, cooperation in the

U.N. Security Council, particularly on the Cyprus issue, Kozyrev said. And we found practically overall coincidence of our positions on all these issues, he added.

Papakonstandinou, in his turn, stated that the meeting was a success and said that the meeting was unusually fruitful. Enlarging upon Kozyrev's words, he said that in the course of negotiations the two sides expressed their readiness to speed up the process of preparing the agreements which could create legal grounds for the intensification of trade and economic relations between the two countries. He said that he means agreements on avoiding the double taxation, on mutual protection of investments and on social insurance.

Russia is playing an important role in international processes and will preserve its merited place on the international arena, Papakonstandinou said. On behalf of the Greek Government and the Greeks he expressed his admiration with the achievements Russia managed to make within the short period of time.

The situation around Macedonia was given much attention to. Kozyrev said that he realised once again that the Greek Government considers Macedonia an integral state and that it should be included in CSCE mechanisms which will secure its integrity. We hope that in the near future European communities will find a mutually acceptable solution to the problem, he added.

A Russian Foreign Ministry spokesperson told TASS that despite Russia's recognition of Macedonia the two sides have not established diplomatic relations so far. We hope that by that time problems, existing between Athens and Skopje will cease to exist, the spokesperson added.

Discuss Skopje

NC0811075392 Athens Elliniki Radhiofonia Radio Network in Greek 1230 GMT 7 Nov 92

[Text] Russia has not established diplomatic relations with the newly formed state of Skopje and does not intend to do so, at least before the European meeting in Edinburgh.

As our correspondent in Moscow, Mirella Kalostipi, reports, this position of Russian foreign policy, which the Greek side considers satisfactory, is inferred from the statement that Russian Foreign Minister Andrey Kozyrev made after the talks he had this morning with Greek Foreign Minister Mikhail Papakonstandinou.

Kozyrev said that both his country and Greece are concerned by the situation in Macedonia—as he called the state of Skopje—and that its acceptance by the United Nations and the CSCE should not remain in suspense, because its borders must be guaranteed.

Papakonstandinou reiterated that Greece not only has absolutely no designs on Skopje, but on the contrary can guarantee its external borders. EC recognition of this republic must precede any other act. In addition, Papakonstandinou termed as absolutely successful bilateral talks in Moscow and said that Russia plays a great role and will play an even bigger one in the international scene.

Finally, Kozyrev described Greek-Russian relations as friendly and said that the agreements that have been signed provide for the dynamic development of relations in all sectors, cultural, economic and political. Papakonstandinou will leave Moscow this afternoon for Brussels, where on Monday he will participate in the general affairs council.

Greek Foreign Minister Calls Talks 'Satisfactory'

NC0611195292 Athens Elliniki Radhiofonia Radio Network in Greek 1600 GMT 6 Nov 92

[Excerpt] Foreign Minister Mikhail Papakonstandinou described as satisfactory his talks and meetings in Moscow with Prime Minister Yegor Gaydar, Supreme Soviet President Ruslan Khasbulatov, Businessmen and Manufacturers Union President (Valki), and other Russian Government officials and diplomats.

Papakonstandinou said everyone, particularly the Supreme Soviet president, responded positively to the prospect of developing Greek- Russian relations in the financial, cultural, and trade sectors. Papakonstandinou expressed, however, Greece's regret on Russia's intention to recognize Skopje with the name Macedonia, a decision announced by Russian President Boris Yeltsin during his visit in Bulgaria. Papakonstandinou said the Supreme Soviet president described these views as hasty. Papakonstandinou invited the Russian prime minister to pay an official visit Athens, the date of which will be set through diplomatic channels. [passage omitted]

Gaydar Receives Greek Foreign Minister

LD0711040392 Moscow ITAR-TASS World Service in Russian 1133 GMT 6 Nov 92

[By ITAR-TASS diplomatic correspondent Vasiliy Titov]

[Text] Moscow, 6 Nov—Yegor Gaydar, acting leader of the Russian Federation Government, received here today Greek Foreign Minister Mikhail Papakonstandinou, who is on an official visit to Moscow.

Welcoming the head of the Greek foreign policy department, Yegor Gaydar said he viewed the present visit as a serious step on the road of fashioning full, mutually beneficial relations between the two countries. Yegor Gaydar noted that the initialling of a bilateral treaty planned during this visit should conclude in it being signed during Russian President Boris Yeltsin's visit to Greece at the end of 1992.

Furthermore, added Yegor Gaydar, we are interested in speeding up the work on documents regulating trade and economic relations between the two states. According to

him, these concern first and foremost accords on mutual investment protection and avoidance of double taxation as well as a trade agreement.

Moscow Tightens Control on Export of Military Materials

OW0811235692 Moscow INTERFAX in English 1916 GMT 8 Nov 92

[From the "Business Report"—following item transmitted via KYODO]

[Text] A special commission was created by the Russian Government to control the export of materials which may be used in military production.

The provision on the Export Control Committee of the Russian Federation states that the new government structure shall coordinate the export of raw materials, equipment, technology and information which may be used to develop weapons or military equipment. The committee will also control the export of materials, equipment and peace-time technology which may be used to produce weapons of mass destruction.

Government sources told "INTERFAX" that the list of product controlled by the new committee, which was given extensive powers, may be rather broad.

The Export Control Committee includes representatives from the Ministry of Economics, the State Customs Committee, and the Ministry of Foreign Economic Relations. President Boris Yeltsin will confirm the chairman of the Export Control Committee.

Nuclear Cooperation with China for 'Purely Peaceful Ends'

PM0911103192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Nov 92 p 3

[Correspondent A. Kabannikov report: "Our Nuclear Industry Keen To Head East"]

[Text] Beijing—Our country's nuclear industry, which is not enjoying the best of times, has sought to find foreign markets. Russia is developing an extensive cooperation program with China in the sphere of the peaceful use of nuclear energy. As part of this program a Russian-designed nuclear electric power station comprising two 1,000-megawatt power units will be constructed on the territory of this country with the participation of our specialists. It will become the PRC's third nuclear electric power station. The two previous ones are being commissioned with the participation of Western firms. China sees the development of the nuclear energy industry as the sole means to satisfy the growing thirst for energy in a number of regions which are developing rapidly but are deficient in hydroenergy resources and coal.

Russia also intends to construct for China a plant to enrich uranium—the fuel of nuclear power stations. V.N. Mikhaylov, Russian Federation minister of atomic energy who is visiting the PRC, stressed that its output is intended to be used only at nuclear power stations and solely on PRC territory. Moreover, Russian and Chinese nuclear industry workers intend to work together in the area of enhancing nuclear power station safety, creating equipment for radiation medicine, and developing technologies for the power industry of the future and other promising spheres. Conversion developments, where China has had greater success than us, are of key importance here, according to the minister.

There is no doubt, however, that these plans will arouse fears in the West and among China's immediate neighbors, who suspect it of seeking to consolidate its nuclear strike potential—now with Russia's assistance. What does the minister think about this? "We do foresee such a reaction," Viktor Nikitovich said, "and we do not have any complexes about it, because the Germans and the French, for example, have long and successfully cooperated with China in this sphere.

"To avoid any speculation we are proposing to the International Atomic Energy Agency that verification methods be stepped up. We will agree to the strictest monitoring in order to convince those around us that our work here pursues purely peaceful ends."

Envoy Calls for Cooperation With Baku on Karabakh Crisis

OW0811165192 Moscow INTERFAX in English 1625 GMT 8 Nov 92

[Following item transmitted via KYODO]

[Text] Russia's special envoy for peace talks on Nagorno-Karabakh, Vladimir Kazimirov, has called for wider CSCE mediation in settling the regional conflict describing this as the main priority. Press officials of the Azeri foreign ministry say that during yesterday's talks private meeting with president Elchibey, the Russian envoy also pointed to Turkey's effort to try to bring a regional settlement saying "it merits attention".

Kazimirov said neighbouring countries must take a more active position on the issue of a peaceful solution to the conflict.

The Azeri foreign ministry says president Elchibey has described Kazimirov's visit as commendable and noteworthy adding the talks will help towards a peaceful settlement in Nagorno-Karabakh. In his view, coordinated brokerage is the main condition of a lasting regional peace.

Turkey To Buy Helicopters, Other Military Equipment

LD0711040792 Moscow Radio Rossii Network in Russian 1100 GMT 6 Nov 92

[Text] Turkey is to buy 20 helicopters, armored transport vehicles, and other military equipment worth 80

million dollars from Russia. This was reported by Turkish Interior Minister Ismat Sezgin.

'Unutilized' French Credits To Be Redesignated to Russia

PM0611134992 Moscow ROSSIYSKAYA GAZETA in Russian 5 Nov 92 First Edition p 7

[Unattributed report under the "Officially" rubric: "All Kinds of Credit Are Important"]

[Text] The Russian Federation Government has approved a draft protocol, submitted by the Russian Ministry of Foreign Economic Relations and provisionally coordinated with the French side, on consenting to redesignate to the Russian Federation French credits, offered to the former USSR and hitherto unutilized, in line with the 28 October 1990 Protocol on Consent.

Tighter Customs Controls on Goods to, From Ukraine

PM0611132192 Moscow ROSSIYSKAYA GAZETA in Russian 5 Nov 92 First Edition p 7

[Unattributed report under the "Officially" rubric: "Customs Houses Need 'Go Ahead'"]

[Text] The Russian Federation Government has stipulated that customs controls over goods exported from the Russian Federation to Ukraine and imported from Ukraine into the Russian Federation, excluding goods listed in a specially agreed category (energy sources and ferrous metals), are to be exercised on the basis of accompanying freight documents until 1 January 1993.

Transport organizations are forbidden to start unloading goods exported from the Russian Federation to Ukraine unless the accompanying freight documents display Russian Federation customs organs authorization stamps.

Agency Reports One Million Immigrants in Three Years

OW0711011992 Moscow INTERFAX in English 1635 GMT 06 Nov 92

[Following item transmitted via KYODO]

[Text] Over the past three years, more than 1 million people, among them 460,000 officially registered refugees, have been received by Russia as migrants, Russia's Federal Migration Agency reports.

According to this agency, since hotbeds of tension emerged in the territory of the former Soviet Union, Russia has received more than 40,000 people from Trans-Dniesteria and over 50,000 people from Abkhazia. At the moment, preparations are being made for the migration of more than 100 ethnic Russian from Tajikistan.

In view of this, the Federal Migration Service has drafted a bilateral agreement with the former Soviet republics on migration and on the protection of the migrants' rights. The drafting of similar agreements with the Baltic states is nearing completion. A Russian-Tajik agreement of this kind has already been signed.

In addition to this, the Federal Migration Agency has drafted a long-term program "Migration", envisaging practical measures to provide migrants with housing and other facilities. This program has been approved by the Russian Government.

Political Issues

Situation in N. Ossetia, Ingushetiya Reported

Russian Troops Arrive in Ingushetiya

LD1011095992 Moscow ITAR-TASS World Service in Russian 0920 GMT 10 Nov 92

[By ITAR-TASS correspondent Shevtsov]

[Text] Vladikavkaz, 10 Nov—Russian troops were introduced on the territory of Ingushetiya at 1100 today. An ITAR-TASS correspondent was told this at the headquarters of the provisional administration. The introduction of Russian troops on the territory of Ingushetiya is for the purpose of ensuring practical implementation of the Russian president's decree on the state of emergency in the Ingush republic.

An analysis of the course of events makes it possible to draw the conclusion that the introduction of troops into Ingushetiya is aimed at preventing a possible resumption of the Ingush-Ossetian conflict in the future. The reaction of the leadership of Ingushetiya to this military operation is not yet known.

Chechen Border Closes; Russians in Nazran

OW1011144092 Moscow INTERFAX in English 1420 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] Detachments of the Russian Army and the forces of the Ministry of Internal Affairs have taken up positions on the border with Chechen and completely blockaded Ingushetiya, according to a report given by Council of Ministers Chairman Sergey Khetagurov at a session of the Supreme Council of Northern Ossetia. Almost simultaneously, forces entered Nazran, the administrative center of Ingushetiya, without incident, INTERFAX was informed by sources at the united headquarters of the Russian forces.

Negotiations are ongoing with the Ingushes regarding an end to the blockade of Nazran's central square, which is surrounded by a ring of trucks and cars. A large crowd had collected on the square. It is not out of the question that there may be attacks by Ingush armed formations on Russian Army posts. The soldiers, however, intend to neutralize such attempts by shooting to kill with the arms at their disposal.

Hostages were sent to Ingushetiya together with forces from North Ossetia, while abducted Ossetians have in turn been released and are on their way home.

In the opinion of the deputies of the North Ossetian Supreme Council, the introduction of forces into Ingushetiya virtually eliminated the possibility of a political confrontation at the session of the North Ossetian parliament, where the opposition had planned to raise a motion of no-confidence in the government and presidium of the republic's Supreme Council.

Chechen Forces on Combat Alert

OW1011145392 Moscow INTERFAX in English 1421 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] A Chechen official who refused to be identified told INTERFAX the Chechen Government regards the deployment of Russian troops in Ingushetiya as a "crude demonstration of force, presenting a direct danger of aggression against Chechnya." The official said the Chechen Government is "taking proper measures to defend the independence of the republic." The Chechen Armed Forces have been put on combat alert and the frontier zone is under increased control, he said.

President Introduces State of Emergency

LD1011161992 Moscow ITAR-TASS in English 1557 GMT 10 Nov 92

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy November 10 TASS—Chechen President Dzokhar Dudayev introduced the state of emergency in his republic on Tuesday [10 November] following the deployment of Russian troops in the neighbouring Ingushetiya.

Dudayev, fearing a possible Russia advance also to Chechnya, ordered to create a single mobilisation system in the republic which will ensure self-defence of populated localities.

All these measures are aimed to guarantee state security and territorial integrity of the Chechen Republic against a possible dispatch of Russian troops to Chechnya.

Condemns Russian Troop Deployment

LD1011143692 Moscow ITAR-TASS in Russian 1310 GMT 10 Nov 92

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy, 10 Nov—The sending in of Russian troops to the territory of Ingushetiya has met with a very negative reaction in Chechnya. Dzhokhar Dudayev, president of the Chechen Republic, said today in an interview with the ITAR-TASS correspondent that "Russia should not forget where the borders of Chechnya are." Otherwise, he said, "both Nazran and Vladikavkaz will be blown sky high." Dzhokhar Dudayev accused the leaders of the Ingush national movement of "betraying the interests of its long-suffering people".

Russian People's Deputy Ibragim Kostoyev, now in Nazran (the administrative center of Ingushetiya), told the ITAR-TASS correspondent on the phone that a group of Ingush people's deputies of Russia sent a telegram to Moscow just yesterday asking that troops not

be sent into Ingushetiya. Ibragim Kostoyev voiced the fear that the Ingush population would resist the troops and the situation could get out of control.

So far, no reports have come in on any incidents when the troops were sent into Ingushetiya.

Release of Soldiers Held by Ingush Demanded

OW0911144792 Moscow INTERFAX in English 1414 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] The interim administration of the Russian Federation on the territory of the state of emergency declared its protest to the Ingush side because it continues to keep the Russian servicemen as hostages and demanded to immediately free them.

For 10 days already the Ingushian combatants are keeping seven Russian servicemen—an officer and 6 soldiers—assigned to the military unit 6801 of the Russian Interior Ministry.

Ministry General Resigns Over Conflict

LD1011110392 Moscow ITAR-TASS World Service in Russian 1019 GMT 10 Nov 92

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 10 Nov—On his return from Vladikavkaz, Colonel-General Vasiliy Savvin, commander of the internal troops of the Russian Ministry of Internal Affairs, has submitted his resignation to the Russian Federation internal minister.

As an ITAR-TASS correspondent has been told by well-informed sources, the military commander's resignation was linked directly to the Ossetian-Ingush conflict. They added that Russian internal troops were involved in containing that conflict. The commander himself refused to comment on his decision, saying only that he had expounded the reasons for his resignation in his application.

Ingush Radical Demands Troop Withdrawal

OW0911170392 Moscow INTERFAX in English 1623 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] Isa Kodzoyev, the founder and ideologist of the radical Ingush nationalist "Niyskho" (Justice) party, believes that the conflict in the Prigorodnyy district of North Ossetia is the beginning of war between Russia and Ingushetiya. Kodzoyev told INTERFAX on Monday that the war in the Prigorodnyy district and the conflicts in the North Caucasus would continue as long as the Russian troops maintained their presence there.

Kodzoyev said that the deployment of the Russian troops in Ingushetiya after Boris Yeltsin's decree to impose state of emergency would not be possible, since this would "inevitably cause armed clashes involving all Ingushes capable of carrying arms and start a guerilla war against the Russian troops." "Ingush refugees from North Ossetia intend to return to their homes after they have forced the Ossetians out of the Prigorodnyy district," Kodzoyev said. He pointed out that the Ingush people at present needed a leader from "spiritually emancipated youth capable of consolidating the nation and contributing to the religious unification of the Caucasian peoples." Kodzoyev said that the conflict between the Ossetians and Ingushes would lead to new conflicts, in Dagestan in the first place, where the issue concerning the Lezghinians was the most acute. The Lezghinians live both in Dagestan and Azerbaijan, and are separated by Russia's state border.

The Niyskho party was founded in 1989 and represents Ingushetiya's radical nationalists.

N. Ossetian Says Troops in Control

LD0911133192 Moscow ITAR-TASS World Service in Russian 0812 GMT 9 Nov 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 9 Nov—The situation in Prigorodnyy Rayon of North Ossetia and Vladikavkaz is fully under the control of units of the operational group of Russian troops, MVD [Ministry of Internal Affairs] subunits, and formations of the republican and home guard. An ITAR-TASS correspondent learned this today from Akhsarbek Galazov, chairman of the North Ossetia Security Council and head of the republic's parliament. By blocking off all populated points in the conflict zone, they are reliably maintaining the state of emergency regime and curfew. Last night was relatively quiet.

Military intelligence, however, continues to report that the forces of the Ingush national extremists are concentrating in the vicinity of the population points of Mayskoye and Chernorechenskoye and in the areas between Nazran and Chermen. Local centers of tension are arising because the Russian president's decree imposing a state of emergency and curfew there is still not being carried out on the territory of neighboring Ingushetiya. It is from the direction of Nazran—the Ingush capital—that scattered Ingush armed formations are filtering through to the border of North Ossetia.

Galazov thinks the fact that the Russian president's decree is not being carried out in Ingushetiya is delaying the work of clearing the populated points of remnants of bandit groups, confiscating arms from the population, and setting up machinery for the exchange of hostages.

Georgiy Khizha, head of the provisional administration in North Ossetia and Ingushetiya and deputy prime minister of the Russian Government, has proposed to the Ossetian and Ingush sides that hostages be exchanged before 12 November. At the same time, it has become known from reliable sources that the Ingush side has

stipulated as a condition that each Ossetian hostage be exchanged for five Ingush. Whereas in the past 24 hours the Ossetian side has handed 72 persons over to representatives of Nazran, the Ingush have handed over 50 hostages. The Ossetian side has now released over 900 hostages and the Ingush about 400. Unconfirmed reports say the number of hostages on both sides could total about 10,000.

Fears Ingush Regrouping

OW1011004692 Moscow INTERFAX in English 1622 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] Chairman of the North Ossetian Parliament Akhsarbek Galazov informed Deputy Head of the Russian Federation's provisional administration in North Ossetia and Ingushetiya, Sergey Shoygu, and representative of the Russian Defence Ministry Colonel-General Lev Shostko of the regrouping in Ingushetiya's forces and combat equipment. On Monday, he sent a memo to the Moscow representatives pointing to a large concentration of militants and armored vehicles near the populated areas of Armkhi, Dzhayrakh, Guli and Olgeti. Galazov believes that this grouping may deliver a sudden blow.

The North Ossetian leader also drew the attention of the provisional administration to inadequate road control in the Prigorodnyy region, to the facts of Ossetian guards being disarmed by Russian servicemen and to insufficient interaction between the military commandants and the commandant of the Prigorodny region.

In view of this, Galazov proposed taking measures to strengthen the roads an to back the North Ossetian Interior Ministry and guard with an anti-tank battery and 5 tanks. Galazov believes that tough control should be established on the roads near Nazran and Chermen-Mayskaya, and that the commanders of the Russian units be given the order not to disarm guards, voluntary fighters and representatives of the North Ossetian law-enforcement bodies until troops are sent to Ingushetiya.

Blames Moscow for Conflict

OW1011130492 Moscow INTERFAX in English 1134 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] The speaker of the North Ossetian parliament, Akhsarbek Galazov, has placed part of the responsibility for the Ossetian-Ingush conflict on the former Soviet and now Russian central governments. The Russian Government is guilty in that it took steps to revise borders by passing legislation that rehabilitates deported peoples without properly looking into matters.

Speaking in parliament on Tuesday, he stressed that the escalation of the territorial conflict is a consequence of blatant political miscalculations on the part of the Russian parliament.

On June 4, 1992 the Russian parliament passed a law on the rehabilitation of repressed peoples which implies, among other things, the restoration of ethnic territories that existed before the deportation.

According to Mr. Galazov, the part of the Prigorodnyy region claimed by Ingush leaders has always been Ossetian land which was part of Ingushetiya only between 1924 and 1944. Between 1859 and 1924 the territory was populated by Cossacks, he said.

Ingush Armed Formations Said Retreating

OW0911150392 Moscow INTERFAX in English 1415 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] INTERFAX has learned from confidential sources in the North Ossetian KGB [as received] that Ingush armed formations have retreated from the combat zone heading for mountainous regions. The same sources caution that continued procrastinations with the Russian troops arrival at the Ingush territory enables Ingush formations to regroup their forces.

The observers in North Ossetia note that Ingush refugees who were forced to abandon the suburban region and Vladikavkaz are becoming dissatisfied with the activities of Ingush leaders in Nazaran. Nearly 30,000 Ingush nationals were forced to abandon the places of their permanent residence in North Ossetia. In the opinion of the observers, this may lead to a serious discord among the Ingush leaders.

Prigorodnyy Region Said Stabilizing

OW1011132592 Moscow INTERFAX in English 1134 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] According to the North Ossetian Interior Ministry, the situation in the conflict zone in the Prigorodnyy region is stabilizing. No grave incidents were registered in the past 24 hours.

Since the beginning of the hostilities, 253 persons have been killed and 592 wounded—24 of the wounded are Russian troops. In the process of exchanging hostages, the Ossetian side surrendered 967 persons and the Ingush 422. According to the State Committee for Emergencies, the Ingushes are still keeping 180 Ossetian hostages and the Ossetians are keeping 310 Ingush hostages.

A special mobile first aid center has been brought to Nazran, Ingushetiya.

According to reliable sources, there are some 700 volunteers from South Ossetia in the area and they have taken part in the hostilities.

Civic Union Urges Yeltsin To Reject Presidential Rule

OW0911153392 Moscow INTERFAX in English 1414 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] The Political Council of the Civic Union believes that President Yeltsin must "resolutely and unambiguously isolate himself from the forces provoking him to neglect his oath and status of the guarantor of the Constitution, and announce his readiness to act in strict accordance with the law. The Civic Union's press service made such a statement in response to some of the political associations' and officials' demands that direct presidential rule be introduced in Russia and that the Congress of People's Deputies and the parliament be dissolved.

In the opinion of the Political Council, "changes in the government system will not help solve any of the problems facing the country". Moreover, presidential rule will be rejected by many subjects of the federation which may lead to its break-up, increase social tension and provoke new conflicts.

Having noted that Russia's Constitution and laws neither envisage such a thing nor give the president the right to dissolve the legislative bodies, the Political Council urged the parliament to do everything it can to defend the constitutional system, to ensure stability in the country and to promote the reform.

The Political Council also demanded that Russia's procurator-general "give legal assessment of the calls to introduce direct presidential rule and to dissolve the legitimate legislative bodies".

Democratic Party's Travkin Urges Cabinet Reshuffle

OW0911152792 Moscow INTERFAX in English 1413 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] A reshuffle in the Russian Government should be started before the Congress of People's Deputies begins, otherwise it will be a useless measure," Nikolay Travkin, chairman of the Russian Democratic Party, told INTERFAX. He said many Russians today believe in people rather than programs, which means "figures who have compromised themselves should go." Travkin said that, at its recent meeting with President Boris Yeltsin, the leadership of the Civic Union, a centrist bloc to which the Democratic Party belongs, pointed out that a reshuffle in the government is necessary to make changes in its economic policy. "The government is being given new tasks which some of the present ministers are unable to carry out," he said. At the same time, the Civic Union does not demand Yegor Gaydar's dismissal because "first, there should be continuity in our economic policy, and, second, we shouldn't scare the world because Gaydar to them means movement to a market economy." Travkin does not think Yeltsin will resort to any coercive measures before the Congress. A state of emergency would only serve to aggravate the economic situation.

Whereas Yeltsin does not regard the Civic Union as an antireform force, Travkin said, the president's staff are ready resort to any kind of tricks to keep their jobs and stay in power. "It was for this purpose that members of the president's staff organized a leakage of information about the Civic Union's proposal for a cabinet reshuffle," Travkin said.

Outlines Expectations for Congress

PM1011093792 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 92 First Edition p 2

[Article by Nikolay Travkin, chairman of the Democratic Party of Russia, under the "Position" rubric: "United Reformist Forces Will Overcome the Country's Crisis"]

[Text] Nikolay Travkin, chairman of the Democratic Party of Russia [DPR], formulates the DPR's position on the Seventh Congress of People's Deputies of Russia.

The Congress of People's Deputies, which opens 1 December, is to sum up the first year of reforms. It is not surprising that political hysteria should have been deliberately whipped up over the congress long in advance of it, according to Nikolay Travkin. Radical democrats demand the abolition of the congress and the introduction of presidential rule. The intransigent opposition insists on the president's resignation. All these actions are aimed at distracting the congress from tackling the real problems and getting it embroiled in political showdowns and rows.

The DPR considers that the actions of politicians bent on passing the buck or using the congress to roll back the reforms should be resisted by the constructive opposition, which aims to unite all reformists forces to overcome the crisis. The bases of such a stance are, in the DPR's opinion, as follows:

The congress should be held at the scheduled time, because otherwise the president's emergency powers will automatically cease to operate on 1 December. Retention of those powers without the sanction of congress would mean a coup d'etat and the establishment of a regime of personal power.

Economic transformations can no longer be continued while Russians' most vital needs and interests are ignored. Serious modification of the course of reform, rendering it acceptable to the majority of the population,

is essential. In particular, a package of anticrisis measures enabling the standard of living to be stabilized and the decline in output slowed down should be adopted. Changes in government personnel are the guarantee that the modification of economic policy will not remain just on paper, but will be implemented.

The question of extending the president's emergency powers should be tackled in conjunction with the modification of reform and when a new government is formed.

All radical groupings demanding the elimination of constitutional bodies of legislative and executive power should receive a resolute rebuff at the congress.

The Seventh Congress of People's Deputies offers what may be the last chance to overcome the crisis on the basis of public consensus and compromise without breaking up the constitutional system and causing revolutionary upheavals. It would be unforgivable if this chance were missed. We urge the president, the people's deputies, and all public forces to concert their actions to overcome the crisis by constructive means.

More on Party's Statement

MK0711130192 Moscow NEZAVISIMAYA GAZETA in Russian 7 Nov 92 p 2

["NG" report: "DPR Has Its Own Position"]

[Text] Ahead of the seventh Congress the Democratic Party of Russia [DPR], headed by Nikolay Travkin, has called on the president, people's deputies, and all social forces to unite in order to emerge from the crisis. Contrasting its position to the "actions of politicians wanting to escape responsibility for their errors or to take advantage of the Congress in order to curtail reforms," the DPR believes that the Congress should take place at the scheduled time and should resolve the question "of extending the president's emergency powers in combination with adjustment of the reforms, contingent upon a new government." The DPR is also sure that "all radical groupings demanding the elimination of constitutional organs of legislative and executive power must be resolutely rebuffed at the Congress."

Gaydar Unaffected by Cabinet Reshuffle Speculation

OW0911162992 Moscow INTERFAX in English 1546 GMT 9 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Excerpt] [Passage omitted] The acting RF [Russian Federation] Prime Minister Yegor Gaydar has declared in a brief interview with IF [INTERFAX] that "speculations about a possible cabinet reshuffle have no effect on his business schedule". In his words, the government is now facing the tasks to be accomplished before the start of the Congress of People's Deputies.

IF Note: Nikolay Travkin, chairman of the Democratic Party of Russia, which is joining the Civic Union centrist coalition, told INTERFAX that the "regular rearrangement in the government of Russia should begin before the Congress of People's Deputies, otherwise it will be a useless action." He believes that "it is impossible to get by without the dismissal of people who have compromised themselves." According to Travkin, Civic Union is not calling for Gaydar's ouster, but suggests new people for the posts of minister of economics, foreign affairs, the press and information, and foreign economic relations. These posts are currently held by Andrey Nechayev, Andrey Kozyrev, Mikhail Poltoranin, and Petr Aven, respectively.

One task, Mr. Gaydar said, is to complete work on a program of priorities for 1993. Another is to correct the external economic regulation mechanism, and still other is to finally draft a package of documents on major property privatization. "Our agenda is too busy to engage in all sorts of guesswork on how stable the government is"—the acting premier remarked.

On Success in Resolving 'Chief Problem'

PM0911161192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 7 Nov 92 p 1

[Unattributed report under the "Only Facts" rubric: "Assessments"]

[Text] "During one year of work the present Russian Government has succeeded, in my view, in resolving the chief problem—making the transition from words to deeds so as to set in motion the real mechanism of economic reforms and achieve real changes in the conduct of enterprises and the population, while at the same time not permitting the social cataclysms with which they intimidated us so much"—Yegor Gaydar declared this in an ITAR-TASS interview which he granted yesterday on the first anniversary of the government of reforms. Today Ye. Gaydar rates positively, on the whole, the results of the work during his "team's" year. As he himself says with a smile: "Three plus."

Deputy Premier: Presidential Rule 'Out of Question'

LD0911191192 Moscow ITAR-TASS in English 1819 GMT 9 Nov 92

[By ITAR-TASS correspondents Aleksandr Russkij and Sergey Podyampolskiy]

[Text] Tambov November 9 TASS—"The presidential rule (in Russia) is out of the question", although certain forces are pushing President Boris Yeltsin to such a move, Russian Deputy Prime Minister Mikhail Poltoranin told TASS on Monday [9 November].

However, he added that Boris Yeltsin may "resort to tough measures adequate to the pressure of the opposition" if necessary.

Poltoranin also disclosed that a certain rapproachment between the president and the leadership of the parliament has taken shape after a recent meeting.

Poltoranin, who is staying in Tambov to meet the local democratic public, believes there is no contrapposition between the government and the parliament. "There is criticism and exposure of certain people", according to him.

The "crisis for reforms in Russia has passed". The slump in production of consumer goods has been stopped in October, Poltoranin told the public, adding that people might start to feel positive results of reforms in 4-6 months.

The government will introduce corrections into reforms alongside with their implementation. However, the corrections will strictly correspond to the strategic course of the government, according to Poltoranin.

He admitted that the government might be reshuffled, but added that the move would "not be dictated by the opposition, but by the necessity to strengthen the Cabinet (of Ministers)".

Optimistic Over Economic, Political Reforms

LD1011100192 Moscow ITAR-TASS in English 0749 GMT 10 Nov 92

[By ITAR-TASS special correspondents Sergey Podyapolskiy and Aleksandr Russkiy]

[Text] Tambov November 10 TASS—Russian Vice-Premier Mikhail Poltoranin told a meeting of representatives of democratic organisations in the city of Tambov that the crisis is already past in Russia and called on people not to "dramatise the political and economic situation in Russia".

Poltoranin said it was not right to speak about alleged confrontation between the executive and legislative powers in the country. "There is no confrontation. There is criticism and exposure of separate individuals," he said.

As concerns the economic situation in Russia, Poltoranin said that production slump was halted in the consumer good productions sphere in October. According to the vice premier, in four-six months the people will feel the real positive results of economic reforms.

The government will correct its course as it sees the programme of economic transformation being implemented, he said and added that the corrections will be in strict accord with the strategy of the Cabinet of Ministers. He said the government will pay more attention to social protection of people and the cabinet's expert groups are now working to prepare measures to tie up taxation and easy credits with the effectiveness of specific production.

Poltoranin stressed that the government had no intention to resign but did not rule out that some of the cabinet members would be replaced.

"The replacements will not be dictated by the opposition but by the need to strengthen the cabinet," he said. He pointed out that the "national and social blocks" will be strengthen in the cabinet. A committee for economic and regional policy will be set up within the framework of the government in charge of giving the regions "real economic power".

Responding to an ITAR-TASS question, Poltoranin said that there can be no question about presidential rule, although some forces pressuring the president to take this step". Along with this, Poltoranin said that if the need arises, the president can take tough measures, the level of which will be adequate to counteract the pressure from the opposition.

Poltoranin said rapprochement has recently appeared between the president and the parliament speaker after a prolonged meeting between the two.

While in Tambov, Poltoranin met the editors of local newspapers and the chiefs of district administrations and visited the local radio committee, before leaving for Lipetsk.

Yeltsin, Abdulatipov Criticize 'Extreme' Forces Campaign

PM0911152292 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 92 First Edition p 2

[Russian Supreme Soviet Press Center report under the "Official" rubric: "President Condemns Actions Aimed at Opening Up Split Between Powers"]

[Text] At a meeting with Soviet of Nationalities Chairman Ramazan Abdulatipov in the Kremlin, Russian President Boris Yeltsin acknowledged the correctness of the opinion held by a majority of parliamentarians from the Russian Supreme Soviet Soviet of Nationalities that, given society's instability, attacks on the Supreme Soviet and the Congress of People's Deputies, which initiated the reforms being carried out, as on the Russian president and government, are inadmissible.

Ramazan Abdulatipov handed Boris Yeltsin the text of an appeal to the president and to the Russian Supreme Soviet adopted by the Russian parliament's Soviet of Nationalities the previous day.

The campaign by extreme political forces to open up a split between the legislative and executive powers was criticized during the conversation. It was recognized that such a course is destructive for the Russian state and its citizens and negates the positive results from the Federal Treaty's signing. Such a course is leading the country

into an abyss which means that it is time to put an end once and for all to the differences of opinion between the Russian president, government, and Supreme Soviet.

A meeting between the Russian president and a group of parliamentarians from the Soviet of Nationalities is planned for next week. It is proposed that joint actions to stabilize the country's social and political situation be discussed.

Gorbachev on Current Political Situation

PM0911150192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 7 Nov 92 pp 1, 7

[Interview with M.S. Gorbachev by D. Muratov and Yu. Sorokin, under the "Once a Month With Gorbachev" rubric; place, date not given: "If They Start Showing 'Swan Lake' in the Morning, Ballet Alone Will Not Do the Trick"]

[Text] [KOMSOMOLSKAYA PRAVDA] Mikhail Sergeyevich, did you receive any 7 November congratulatory postcards?

[Gorbachev] Last year I did. I sent some too. Not as many as usual, though. I have not written to anyone this year yet...

[KOMSOMOLSKAYA PRAVDA] A difficult question, is it?

[Gorbachev] Yes. But it is a big day for me. Society will still see it as such.

Concerning Gorbachev and the Press

[KOMSOMOLSKAYA PRAVDA] ARGUMENTY I FAKTY claims that, after graduating from Moscow University, you tried to join the KGB. Did you want to become a Chekist?

[Gorbachev] In my fifth year at Moscow State University I was secretary of the Komsomol, and as a result I was on the graduate distribution commission. In March 1975, 12 of us law students were selected. This group was to have gone to the USSR Prosecutor's Office.

This was to resurrect the structures overseeing the state security organs' affairs. But in May a government decree came out prohibiting the use of young specialists in that apparatus, since a study of what had taken place in the thirties showed that the acts of repression had actually been carried out through the agency of young, inexperienced guys.

Moreover, as Komsomol organization secretary, I had given two people on my course references and recommendations for work in state security organs (that was the procedure). That was the full extent of my "link" with the KGB at the time (ARGUMENTY I FAKTY cites data to the effect that M. Gorbachev did not get to be a Chekist since his father was living on occupied territory. Gorbachev's father, Sergey Andreyevich, a miner, fought his way to Czechoslovakia in the war, was seriously wounded, and came home with medals and orders).

[KOMSOMOLSKAYA PRAVDA] When did you begin to understand the real role of the NKVD and KGB?

[Gorbachev] I had actually felt it for some time. When they arrested and held my grandfather for 14 months for no reason at all and tried to get him to confess to extraordinary things—"to being active in a rayon center Trotskyist organization." But we did not know much until 1956. Even my grandfather once said: "I am sure Stalin doesn't know."

[KOMSOMOLSKAYA PRAVDA] Did the KGB ever suggest "covert cooperation"?

[Gorbachev] That did not happen, but something else did. When I was elected second secretary of the kray party committee and I met with Tsvigun, he said: It is a pity we lost you—we could do with someone like you in the organization. That was in 1968... Anyway, I then found out what the KGB was like, what a terrifying system the KGB was. And for a long time I discussed it privately with my closest colleagues. I was waiting for the right moment to reorganize the system. It was difficult then, and not much has changed even now.

[KOMSOMOLSKAYA PRAVDA] Are you taking any steps against eavesdropping, for example?

[Gorbachev] The same as you, probably.

[KOMSOMOLSKAYA PRAVDA] Another topic suggested by the press: You placed Jaruzelski in an extremely awkward situation, when you said in a recent interview that the Soviet side was not planning military action in Poland in the early eighties; whereas Jaruzelski, in his memoirs, says that the introduction of a state of emergency in Poland was actually due to the threat of the introduction of Soviet forces.

[Gorbachev] Jaruzelski and I have a very close relationship. We were real friends. He is a man of honor with a very broad view of the world. When I came to know him better, I was amazed to find out that this military man was more of a politician. And I am sure that Poland was lucky to have Jaruzelski at that crucial stage of the crisis. He is a convinced democrat. It is always difficult to defend such things as martial law. But the form in which it was introduced in Poland at the time—I do believe it saved them from disaster. As for the interview with Polish journalists, they asked me whether the question of the introduction of our forces into Poland in that situation had been discussed at the Politburo. No, I said. I know that Suslov said on the telephone that our forces would not participate in Poland's internal conflicts. (Although I do not know who was at the other end of the line). Jaruzelski may not have known of this. But, as a politician, he must have foreseen all potential situations. Obviously he had not ruled out this threat.

[KOMSOMOLSKAYA PRAVDA] PRAVDA published an open letter to you from Egon Krenz. He writes that when you were in Germnany you put in a word for Honecker, but quite forgot about the ordinary border guards who now also face long prison terms. Although some years ago, when you visited the Berlin Wall, you recorded in the visitors' book your gratitude to the border guards defending the frontiers of the "first German socialist state." What did you mean by this at the time? Was it is a protocol gesture, as necessary as, say, embracing Kim Il-song?

[Gorbachev] There is no contradiction here. The GDR was recognized as a state, it was a member of the United Nations, and had its own territory and its own border arrangements.

[KOMSOMOLSKAYA PRAVDA] But you will agree that making that entry in the border guards book, while planning to destroy the Berlin Wall...

[Gorbachev] Wait a minute. You think they trapped me. No, my friends, it was no trap. If you think that the historical process is a trap, then we are trapped all the time. The German question is a historical legacy and there is no point holding a grudge against history.

Egon Krenz now reminds me that I opposed the rapid reunification of Germany. That is so, and my position was a realistic one. But you have seen how these processes have turned out at the level of the people. Everything in their path has simply been swept away. Well, what then? Leave everything to chance, or look truth in the face and take a deliberate step? History suddenly accelerated the tempo and we should have reacted accordingly.

Concerning State of Emergency and Congress

[KOMSOMOLSKAYA PRAVDA] We have heard from perfectly reliable sources the "rumor" that a package of documents on the introduction of a state of emergency in the country is being elaborated in the Kremlin. What do you think of this?

[Gorbachev] I have also received information to the effect that the question of emergency measures was discussed at the Security Council, but they dispersed without deciding anything. And I said thank God they had the intelligence not to take that step. It would be a disaster and it could cause a split in society.

From recent pronouncements by the president, government, and Supreme Soviet leadership one could conclude that the policy of uniting all reformist forces has been adopted. The president recently started to enter into contacts with representatives of various strata and with the republics and regions. Government members have at last started to meet with those they should have been meeting with back in February—directors of large enterprises. Now not only Gaydar is speaking, but Yavlinskiy, Yasin, and Volskiy—so views are being compared. This would seem to show that the government feels that adjustments are needed, that harmony is needed. And in this situation your source reports that a package of emergency measures has been prepared? So they are playing a big game with all of us?

This is very serious. If we are going to be compelled to watch "Swan Lake" again, then I have to say that ballet alone will no longer do the trick.

Anyway, if the leadership opts for a state of emergency it will have to admit that its policy has failed.

I am sure that Yeltsin will not do that.

[KOMSOMOLSKAYA PRAVDA] Let us suppose the Congress suggests that Yeltsin replace the entire government.

[Gorbachev] Let us not cling to our posts.

[KOMSOMOLSKAYA PRAVDA] "Not cling to our posts"—does this mean that Yeltsin now has to stop thinking in terms of having specific people in his cabinet...

[Gorbachev] He must now think as follows: Since a new policy is needed, a wider group of people is too. This does not mean that one-half or one-third should not remain from the old team—that is his business. But it is clear that he is not going to pursue a different policy with the same team. All the time we hear that Yeltsin will not let Gaydar go. First, we do not know who is supposed to let Gaydar go and, second, Gaydar is probably needed. Continuity must not be broken. Simply removing the entire government is not on. But a coalition of political forces is needed: The president must not appear dogmatic, he must be a national president. The entire nation must provide all the best qualified people for the new policy.

[KOMSOMOLSKAYA PRAVDA] Some people say that the congress no longer reflects the interests of the people, as it was not elected sufficiently democratically.

[Gorbachev] Well, you know, Yeltsin was elected when Gorbachev was still in power. But the situation has changed now. In that case, let us change everything. Why does this apply to some, but not others?

[KOMSOMOLSKAYA PRAVDA] Do you not believe that the congress could make a decision signifying a complete reversal?

[Gorbachev] No. No one can do that now.

[KOMSOMOLSKAYA PRAVDA] The congress could raise the question of Yeltsin's resignation.

[Gorbachev] I can only speak for myself. I would not do that now. But he must show that he is meeting all of the nation half-way and that he is not allowing any group to manipulate him. And it is altogether necessary to remove from the Yeltsin entourage those odious figures who prompted him to sign the Belovezhskaya Forest agreement.

[KOMSOMOLSKAYA PRAVDA] You have paid a fine to the Constitutional Court?

[Gorbachev] Yes, I did.

[KOMSOMOLSKAYA PRAVDA] And you are still adamantly refusing to attend the Constitutional Court, are you not?

[Gorbachev] Yes, but this is not willfulmindedness, a whim, or a sign of disrespect for the court and the law. I would like to say through KOMSOMOLSKAYA PRAVDA that I—as a citizen of Russia—claim no special rights whatsoever. I—as a witness—have given testimony to the investigators of the Prosecutor's Office in the case against the State Committee for the State of Emergency, the case concerning party finances, the case concerning the exceeding of authority by state security staffers, and one other case too. I have no problems with carrying out the law. But I cannot take part in this trial, which discredits the court, presumes to judge history, and serves essentially as a place for settling political scores.

[KOMSOMOLSKAYA PRAVDA] And what about the decision denying you an exit visa? You are due to receive the title of honorary citizen of Berlin on the 9th, are you not?

[Gorbachev] Yes, I am. I have weighed everything up and have decided to accept the title.

[KOMSOMOLSKAYA PRAVDA] But what if they do not let you go?

[Gorbachev] But on the basis of which law? They have simply failed to find this law, you know. They have made themselves a laughing stock.

[KOMSOMOLSKAY PRAVDA] So you will be going?

[Gorbachev] Yes, that is my intention.

About War

[KOMSOMOLSKAYA PRAVDA] Mikhail Sergeyevich, a war has begun in Russia. I told you one month ago, on returning from assignment, that I had seen weapons—grenade launchers and hundreds of assault rifles and grenades—freely being sold at an auto spares market in Ingushetia.

Representatives of the Russian Supreme Soviet in Ingushetia are talking in earnest about a matter that will cause much bloodshed, revising the borders: They even intend to divide up the capital of North Ossetia, Vladikavkaz. That will mean thousands of casualties. What is your opinion: Is there a solution to this situation or is Russia going to have its own Karabakh for decades?

[Gorbachev] It is all very serious. Delay in policy is the main cause. There has been a lot of improvisation—mistaken improvisation, moreover. Chechnya, let us concede it, has been simply driven into a corner. I think that the Federation Treaty should as a matter of urgency become the basis for accord within Russia. We are lagging wih the new treaty! And war, alas, is the consequence of delay in policy. That is the first thing. The second is that the completion of the process of drafting and adopting the new Constitution must be speeded up, for the processes of instability will intensify as long as a legal basis is lacking.

[KOMSOMOLSKAYA PRAVDA] You said that today's policy is a policy of tardiness. I have the feeling, however, that it is a policy of jumping the gun; when the Law on Restoring Ingushetia was passed without defining the borders of the republic, it was not so much Yeltsin's tardiness as Khasbulatov's jumping the gun.

[Gorbachev] In this case both you and I are right. These questions are interlinked. When purely individual, specific decisions are made which are not based on general principles—the Federation Treaty and the Constitution—both the legislative and the executive branches of power become hostages to their decisions.

I am undoubtedly an advocate of Russia's adopting the position of preserving a unified Georgia. But I am also an undoubted advocate of Georgia's adopting the position of recognizing the autonomy of both South Ossetia and Abkhazia. I thought that with the election of Eduard Amvrosiyevich as chairman of the Georgian State Council, precisely that process would take place. I do not know the origin of the dangerous standpoint that no autonomous formations can exist in Georgia.

[KOMSOMOLSKAYA PRAVDA] I have heard this from official Georgian sources.

[Gorbachev] If that is so, I would advise my friend Eduard Amvrosiyevich and his colleagues to weigh everything up once again. There can scarcely be peace in Georgia without the autonomous formations of South Ossetia and Abkhazia.

Advocates 'Coalition Team'

MK0711130992 Moscow NEZAVISIMAYA GAZETA in Russian 7 Nov 92 pp 1-2

[Interview with Mikhail Gorbachev by Vitaliy Tretyakov under the "Urbi et Orbi" rubric; place, date not given: "'I Would Like Yeltsin To Become a National Leader.' This Is What Gorbachev Said Before His Trip to Germany"]

[Excerpt] [Passage omitted] [Tretyakov] What is your assessment of the current political situation in Russia?

[Gorbachev] Russia is currently in crisis. If the present leadership is able to seize the initiative by means of a new policy and a new team—a coalition team, otherwise there will be no agreement—and if a coalition team, not some sort of sectarian team, provides the new policy and agreement, we will preserve the process of transformations, the Federation, and everything. If the leadership is stubborn and says that we have acted in a perfect manner

between January and October, and that a new age is beginning with this, an age that is, moreover, virtually human history, the kind of statement that used to be made before the present time, this would be a mistake. [sentence as published] This mistake hinders the president from fulfilling his constructive role as a supreme figure, as the man who unites all the reformist forces, including conservative forces—the healthy ones that favor reforms and transformations. I wish he would rid himself of this shortcoming. There is no way he will ever get rid of it.

And so if the president does not use the time remaining to him to rely on the constructive forces, he will make a huge mistake. I would very much like him to fulfill the mission of a national leader. Either he will rise up to this height or he will be lost. It is not only necessary to establish a coalition government, the president's entourage must be made healthier.

[Tretyakov] But President Yeltsin could retort to you that your own entourage was none too successful.

[Gorbachev] All the more reason for improving it. He should bear my experience in mind.

Former Yeltsin Adviser Suggests Parliament Rotation

OW0711021292 Moscow INTERFAX in English 1701 GMT 06 Nov 92

[Following item transmitted via KYODO]

[Text] Shortly before her resignation as the Russian President Boris Yeltsin's ethnic relations adviser, Galina Starovoytova wrote a memorandum to him in connection with the forthcoming Congress of People's Deputies suggesting rotation in the Supreme Soviet at local councils' motions as a means of materially changing the Russian parliament's membership.

It is unrealistic to expect the Congress to dissolve itself, she says, whereas the introduction of direct presidential rule would have little public support. However, the Supreme Soviet membership can be drastically changed by rotation, ie "by including in it some of those Congress members who are still trusted by their electors." Such motions could be made either by the president, by the parliaments of republics within the Russian Federation, or by regional councils.

Starovoytova thinks that thereby local authorities would increase their influence on the Supreme Soviet and would focus on the latter rather than on the government. More competent and moderate people may be included in parliament, replacing those dependent on the Supreme Soviet's senior officials.

Considers Status

LD0611235692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2010 GMT 6 Nov 92

[Interview with Galina Starovoytova, former presidential adviser on ethnic relations, by Aleksandr Politkovskiy in the studio—live; from the "Politburo" program]

[Text] [Politkovskiy] In my office is Galina Vasilyevna Starovoytova—now in retirement. We sent our own car for you today. What is your status now? Have you still got your apartment, or haven't you got anything at all?

[Starovoytova] Well, I was a Muscovite. Otherwise, I'm unemployed for the time being. At least, I hope it's just for the time being.

[Politkovskiy] What is the reason for this sensational dismissal?

[Starovoytova] I don't think that's a question for me. One can make guesses, but one may also make mistakes. I should simply like to make no comment.

[Politkovskiy] In other words, you haven't seen Yeltsin and don't know anything at the moment, right? As a specialist in ethnic problems and conflicts, do you think that the media are now providing an objective assessment or not? There was a serious conversation about this today at the Russian Supreme Soviet session.

[Starovoytova] You mean the conflict between Ossetia and Ingushetiya? No, as a specialist, I can't, unfortunately, be satisfied with the activities of the media here or, specifically—and I hope the television people won't take offense—with their work either. Many announcers know that I have one bad habit: After "Vesti" or Ostankino's "Novosti" has ended, I pick up the phone, make a call, ask for the announcer and say: Why did you say that? For heaven's sake, don't say that in the evening bulletin, and so on. And I have to do it. Well, for example, when they say that the paratroops are fighting the Ingush. What are the paratroops—an ethnic group? I won't give the name of the person who did that. Or they say on Ostankino that the Ossetians are a repressed people. The North Ossetians were not resettled anywhere. It's a different matter. Perhaps what's being referred to is the tragedy of South Ossetia. Even so, one must express oneself more precisely. Or they say that the Ingush fought alongside Shamil [imam of Daghestan and Chechnya who led the fight of the Caucasian mountain peoples against the Russians in the Caucasian War of 1817-64] against Russia during the Caucasian War. Do you realize that all these mistakes cost lives today? It's not just a journalistic slip of the tongue. And so, although I'm a nobody now, and I ask our television people in advance to excuse me, I probably won't be able to stop myself from continuing to make such calls sometimes at such moments.

[Politkovskiy] You do that now using the vertushka [special telephone network for the use of senior officials only], do you?

[Starovoytova] No, I know your ordinary number, but I used to have the vertushka, needless to say.

[Politkovskiy] Will your resignation prompt you to go over to the opposition camp?

[Starovoytova] My views do not change depending on what post I occupy. I think and hope that now, too, we have very much in common with the government and, even more so, with the president. I can't confidently say that about the president's entourage, which has recently made my contacts with him very much more difficult and has not always delivered my notes on current matters to him. There were other problems too. But I will continue to engage in developing liberalism in Russia—together with Russia's leadership, I hope.

[Politkovskiy] Today you've literally dashed over here to the studio from work...

[Starovoytova] Yes.

[Politkovskiy] From Staraya Ploshchad?

[Starovoytova] Yes.

[Politkovskiy] What are you doing now at Staraya Ploshchad if you're already in retirement?

[Starovoytova] I was dismissed only the day before yesterday. I have a great deal of unfinished business and very many papers and documents. My colleagues and I have been getting everything together. It all has to be prepared for removal. We have gotten things together partially. Then we removed the things that I treasure most. They are the Russian flag and—I've got it with me now—this photograph, which is very dear to me, in which Andrey Dmitriyevich Sakharov is shown at one of the most dramatic moments in our USSR Congress of People's Deputies. The people are probably familiar to everyone here. Later on, to be quite honest, my colleagues—I have a very good, strong team—and I infringed labor discipline for the first time in 18 months of work: We just sat down and had a drink; drinking, of course, to the future.

[Politkovskiy] I envy you. Thanks a lot for coming to our office.

[Starovoytova] You're welcome. Thanks for letting me speak, even though I'm in retirement.

Resignation Said Due to 'Extreme Subjectivity'

OW0711041892 Moscow INTERFAX in English 1910 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] Officials close to President Yeltsin explain resignation of Galina Starovoytova from the post of the Russian head of state's adviser on national policy by "an extreme subjectivity of her estimates." "If the subjectivity is appropriate in the world of art, literature, theater, poetry then in the sphere of national problems such approach contains in itself the danger of appearance of explosive situations. Starovoytova's estimates meet negative reaction in those regions about which she talks," sources close to Boris Yeltsin told INTERFAX.

Reshuffle Marks End of 'Placidity' in Nationalities Policy

PM0911155592 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 92 First Edition p 2

[Observer Andrey Sharapov report under the "Ethnic Relations" rubric: "People Change, Perhaps Politics Will Change, Too"]

[Text] Two personnel changes of recent days in the sphere of Russian nationalities policy—the release of Galina Starovoytova from her duties as adviser on questions of interethnic relations to the president of the Russian Federation, and the appointment of Sergey Shakhray as chairman of the State Committee for Nationalities Policy—indicate that the start of the first ethnically based armed conflict in Russia has brought an end to the relative placidity prevailing in this sphere in the top echelons of power. It cannot be said that nothing was done in this complex, delicate area, but... If blood has been shed, it means that too little was done.

Galina Starovoytova is an outstanding figure among the "first-wave democrats." However, it must be admitted that state policy in the sphere of ethnic relations has produced much censure and has flagged in some areas, while in others it has, on the contrary, displayed unwarranted activity which has sometimes developed into bias. An atmosphere of sluggish confrontation, enlivened by ideas that are original but yield little real result, is not the best background for either interethnic relations or the interethnic policy of the state.

The reshuffle acquires added point in the runup to the Congress of People's Deputies. Clearly the president "will surrender" the most unacceptable figures in his entourage prior to the congress, which should enable the congress to avoid confrontation with the president and government and start productive work from the very outset.

Decrees on Government Appointments Reported

PM0611161592 Moscow ROSSIYSKIYE VESTI in Russian 6 Nov 92 p 1

[Unattributed report: "Appointments"]

[Text] A directive of Russian President B. Yeltsin has appointed:

—Sergey Mikhaylovich Shakhray as chairman of the State Committee for Nationalities Policy and, at the same time, deputy chairman of the government.

Our information: S. Shakhray is Russian and does not belong to any party. He was born in Simferopol (Crimea) 30 April 1956. He graduated from Rostov State University and defended his candidate's dissertation on state law at Moscow State University. From 1990 he was a Russian Federation people's deputy, and he was chairman of the Supreme Soviet Legislation Committee. From 12 December 1991 through 20 April 1992 he was state counselor to the Russian Federation president on legal policy and a deputy prime minister. He has overseen the State Committee for Nationalities Policy and the Ministries of Security and Internal Affairs. From June through October 1992 he was a Russian people's deputy and a member of the Supreme Soviet. Since May of this year he has represented the president in the Constitutional Court in the case of the CPSU.

—Arkadiy Semenovich Golubkov as chairman of the Russian Federation Computerization Committee.

Our information: A. Golubkov was born in 1939. He graduated from Moscow Aviation Institute and is a doctor of technical sciences, a professor, and a state prize winner. He worked as leader of the Scientific Research Institute of Computer Technology and Control Processes. His last post was as Russian Federation first deputy minister of communications. He is married with two children.

An edict of Russian Federation President B. Yeltsin has appointed:

—Eduard Dmitriyevich Dneprov as adviser to the Russian Federation president on questions of state policy in the sphere of education and humanitarian reforms.

Our information: E. Dneprov was born in 1936. He graduated from Leningrad's Nakhimov School and then the Frunze Higher Naval School. He obtained the specialty of navigator of a surface ship. In 1961 he graduated from Leningrad State University's Faculty of Journalism. He is a journalist-philologist and candidate of historical sciences. He worked at the USSR Academy of Pedagogical Sciences Scientific Research Institute of General Pedagogics. He led the "School" temporary scientific research collective under the USSR State Committee for Public Education. From 14 July 1990 he was Russian Federation minister of education. He is married with two children.

Islamic Democrats Ask To Join Salvation Front

OW0711050792 Moscow INTERFAX in English 1913 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] On Friday [6 November] Russia's Islamic Democratic Movement presented an official application with the request to admit it to Front of National Salvation. In his interview with INTERFAX, Fanil Akhmadi [name as received], the leader of the movement, declared that he advocated restoration of a single state on the territory of the former USSR. In his words, "Russia without Kazakhstan and Ukraine is not Russia already." Akhmadi underlined that following the collapse, separate small states would begin to clarify their relations—who has more land and who has less land—and this would lead to a civil war.

Economic Issues

Chubays: Yeltsin 'Fully Supports' Privatization Program

PM0911110392 Moscow ROSSIYSKAYA GAZETA in Russian 6 Nov 92 First Edition p 2

[Vladimir Sluzhakov report under the "Privatization" rubric: "Forget the Word 'Voucher,' Anatoliy Chubays Orders"]

[Text] Anatoliy Chubays, chairman of the Russian State Committee for Property, promised on the eve of the Seventh Congress of People's Deputies to impart a real meaning to "popular privatization," to which the opposition has given a hostile reception.

The campaign will be launched as early as November, he says.

The list of initial objectives includes not only the Vladimir tractor plant, the Tosno "Era" Production Association Plant, and the Strunino "5 October" Cotton Combine, but also hotels of the "Intourist" system and even "Berezka" hard currency stores.

According to Dmitriy Vasilyev, deputy chairman of the State Committee for Property, up to 69 percent of enterprise shares will be put out to auction. The general sense of the auction voucher boils down to the fact that small holders of vouchers who are not able to find their way in the market will receive the right and the opportunity to buy at least one, or even several shares in enterprises.

According to Chubays, the president fully supports the government's intentions in this sphere. The prime minister also promised to auction by year's end "the absolute majority of all major enterprises" and to issue 150 million checks to Russian citizens, despite disingenuously spiteful forecasts. In short, the voucher will soon be backed up by property [napolnen sobstvennostyu], and there should be no conjecture about its value being less than nominal. The only thing that deputy prime minister asked of journalists is that they return "to the normal Russian word 'check' and forget 'voucher'..."

Central Bank Chief Gerashchenko on Economic Policy

LD0911112792

[Editorial Report] Moscow Russian Television Network in Russian at 1900 GMT on 2 November broadcasts a 55-minute recorded interview with Viktor Gerashchenko, head of the Russian Central Bank, on the "Without Retouching" program. The place and date are not given.

The unidentified station presenter opens the program by asking Gerashchenko what place he would find for previous Soviet Premier Valentin Pavlov. Gerashchenko replies: "I believe he is quite an experienced economist and I think we could make better use of his knowledge of our economy." Asked how quickly the dollar could be removed from internal circulation, Gerashchenko states: "I think the very course of economic reform, the difficult tasks facing all of us, do not give me any grounds for believing that it will be possible quickly. In any case it will have to be done."

He continues with additional comments on the eventual value of the ruble against the dollar. He says that if he had a crystal ball he would not be working in his current post; instead, he would be in the prediction business. Turning his attention to the ruble rate at the end of the year, Gerashchenko notes that, "Quite honestly, it is very difficult to indulge in forecasts in this case. As I have said before, activities at the inter-bank exchange do not reflect any real value relations in our economy. To a substantial degree the ruble rate has often been subjected to tangible market-determined fluctuations."

Gerashchenko then summarizes his work experience prior to assuming his current post in the Central Bank. Asked whether it is more difficult to defend his position under the current administration or under Pavlov's, he says: "I do not think that defending one's position depends on the nature of one or another leadership. If you cannot—or will not—defend your position, you should not poke your nose into the corridors of power."

The next questions cover a recent campaign to withdraw licenses granted to foreign banks and foreign bank activity in Russian markets in general. Gerashchenko notes that the question is not quite accurate, as there are no withdrawals or recalls of licenses—nor could there be, in his view. He says that there is an element of debate and apprehension on the part of the emerging commercial banking structures that with this vigorous influx of foreign banks that the banks will be forced to operate under very harsh conditions. He adds that Central Bank personnel and people in parliament will, of course, insure that our emerging banking system should not collapse during a foreign banking influx.

At this point Gerashchenko is asked to cite figures for credits to the federal budget. He declares: "The point about credits is that they were granted to the budget this year following a parliamentary and governmental decision; the total sum is in excess of a trillion rubles. The action taken by the Central Bank in coordination with the government to offset this excess has made it possible in the recent period to credit to the budget an amount in the region of 200 trillion rubles—the situation has improved a bit".

Gerashchenko was then asked why the Central Bank did not foresee the problems arising following the introduction of a check system in Russia. He said: "Quite honestly, it is very difficult for me to reply to this question, as in actual fact the idea of introducing checks in Russia was generated by the previous leadership of the Central Bank. If we look at the rules for using these checks that were written in the corresponding instructions and the procedure for selling the checks, we see they contained errors. If the commercial banks saw this I greatly regret that the former leadership of the Central Bank did not see all the pitfalls in this so-called normal method of payment."

A KOMMERSANT correspondent raises the issue of foreign bank competition to Russian commercial banks. Gerashchenko replies: "I can quite honestly say that I am not aware of a country—purely in terms of studying its banking system—where a foreign bank might press for a monopolist role on a foreign market in those cases when it is permitted them to expressly operate. Therefore, I fear that what we have here is the inner feelings of people who are not fully experienced in this respect. Moreover, perhaps there is a certain fear in our banking sector that foreign banks—by virtue of their experience—might begin to take from the top some of the business currently in the hands of those banks."

Gerashchenko then states: "We at the Central Bank should simply find the proper forms for attracting foreign banking capital. We should encourage joint banks, so-called Abshornyy banks, that can work in foreign currency here in Russia and which might have limited resources for working in our national currency. In that case their introduction into our banking system will proceed gradually. At the same time it is quite possible our colleagues are afraid that the influx of foreign banks will create staffing problems; they might find some of their staff will leave for jobs with these foreign banks."

At this point Gerashchenko takes a question about how Russian President Yeltsin's promised three-month price stabilization program can be achieved. He says the question is, naturally, a difficult one, especially when you start quoting the words of the president who is speaking on the basis of data and reports furnished to him by the government he leads. He adds: "We have to rely on a whole series of measures to reach a stabilization of prices, to improve and alter the pricing structure, and try to some extent to halt the pace of those inflationary tendencies we have. In my view we must rely on our appropriate resources for budgetary expenditures. We must not forget that these expenditures can and should be made primarily not from credits from the Central

Bank or even by issuing treasury bills of exchange or other kinds of securities in the future."

Gerashchenko continues: "We must raise the revenue part of the budget. This can of course only be raised if there is development in the production of goods required by the population, as required by the market; that is, if there is an increase in the foundation of profit that is subject to taxation. At the Central Bank we believe that our interest rate policy, which theoretically meets the current demands of a monetary system and in general terms should be positive—in other words higher than the inflation rate—must at the same time clearly look to the future. As we consider support for the government's investment policy, we should at the same time entertain a graduated interest rate policy in the future."

Gerashchenko is then asked to explain the origin of certain satirical terms currently in use. Commenting on the Central Bank's relations with the government, Gerashchenko said: "When we start using our press to call for 100 percent independence for our central bank, the question immediately arises—independent from what or from whom? In my view the Central Bank should not operate under the daily demands or wishes of the government. Nor can the Central Bank stand outside the government's economic policy. If we can see, with the appearance of one or another economic problem, that there is a need to index the working capital of certain enterprises, then we must seek a solution including granting Central Bank credits."

Gerashchenko turns his attention to a question of Russian debts to the Paris Club. He says that traditionally, when a country encounters problems in servicing its accumulated debt, noting that Russian debt now stands at approximately $80 billion, there is naturally a process of negotiation that begins. He adds that this negotiation process is usually held between the two so-called "clubs," that is, the Paris Club—where talks are held on interstate debts, and the so-called London Club—which facilitates talks between the debtor country and the numerous creditors and individual banking institutions involved. Gerashchenko adds: "Although it is not my immediate responsibility to take part in talks, I think our debts to the Paris Club fall in the range of $25-30 billion, although I could be wrong here." He then adds that his figure includes everything, in other words, short-term debts.

Gerashchenko next responds to a question on currency intervention. An unidentified correspondent asks whether it is true that the amount of central bank currency intervention could be discovered prior to the weekly Moscow Inter-Bank Currency Exchange ruble trading. Gerashchenko replies: "Unfortunately, at the moment many things are possible. The point is that indeed, every morning prior to trading, on Tuesdays and Thursdays, there is a small conference, usually involving three people—the chairman or acting chairman, the deputy in charge of international matters, and the head of the board. As a rule, applications have already been received, usually on Monday evenings or Wednesday evenings, and of course, in the morning there can be some additional proposals on buying or selling."

The amount of the intervention is, in general terms, fixed during this conference. I have a hard time believing, even if it did take place, how information conveyed to some close acquaintance could influence applications from his clients. This is because no bank has the right to buy hard currency for itself and on its own account; that is, to deal in so-called currency speculation. It does this on the instructions of its clients. But if the bank or one or another commercial bank enters into a deal with a client—with a view to pursuing currency speculation on his behalf—and if there are rumors or suspicions that such information is falling into the hands of certain elements, I would be grateful to you for the precise address".

Asked about the need to protect bank secrets in light of alleged computer hacking, Gerashchenko states: "I would say that under existing law banks are required to keep secret the deposits and operations of their clients. If a client's money is suddenly taken from the bank through computing crimes, then of course the bank bears full responsibility. I doubt very much whether in the current state of our computing network it is possible to find out the state of a client's account in some commercial bank. I can conceive that it is possible to find out, if the system needs an immediate check, if the control system is inadequate on the Central Bank's computing center. It is possible to find out the amount of money in the account of one or another commercial bank at the Central Bank, but you cannot find out from this information how much money one or another client has in a commercial bank. For that you have to get directly into the commercial bank's network, which in current conditions, unfortunately, is sometimes possible. The question you have raised is very important—and topical—especially in the future—the more so as we are trying to build a modern system for electronic accounting."

Gerashchenko now directs his comments to the recently concluded agreement between the banks of Russia and Ukraine. He notes that the problem of transactions is a very acute one at present, not only on the territory of Russia, between the banks and their clients, but especially acute in transactions between the former republics of the Union. Continuing, he says that: "The point is that, unfortunately, transactions and fundamental economic interrelations are currently formed in such a way that all our former neighboring republics are in debt to us; to a certain extent, there is an unbalanced economic exchange. If that is the case, of course, the accounts that reflect the volume of these transactions should have a certain filter, to prevent excessive credit expansion to Russian territory."

Gerashchenko adds that: "In this sense, talks are always under way at the intergovernment level, and at an interbank level, on granting definite technical credit ceilings, especially if this is occasionally linked with

seasonal fluctuations, for example, cotton taken in Uzbekistan and arriving under contract only in October or November—in these cases you also need a seasonal credit ceiling. Overall, at the conclusion of a definite economic year it is always very difficult to reduce relationships to zero. So, the question arises as to what kind of credit the Russian state is prepared to grant in current conditions to one or another of its former partners in the Union, or now, partners in the Commonwealth. This was the aim of the talks; a lot of payments from Ukraine do not trickle down to benefit Russian enterprises. An accord was reached to increase the technical credit ceiling, temporarily up to 227 billion rubles, to be repaid subsequently before the end of the year, up to 50 billion. In other words, there is a seasonal element here."

An unidentified correspondent says that the USSR Bank for Foreign Economic Activity was in a state of technical bankruptcy, and asks Gerashchenko whether he felt responsibility for its debts—as the former head of the USSR State Bank to which this bank had been subordinate. He says: "Your question contains an inaccuracy. The point is that the USSR foreign trade bank was subordinate to the State Bank—because the State Bank was its main shareholder until 1988. In 1988, at the first stage of our banking reform, the foreign trade bank was turned into a completely independent bank—unfortunately—subordinate to the Council of Ministers directly. Therefore, I say that as chairman of the former USSR State Bank that my responsibility is more of a moral nature."

Gerashchenko adds: "The point is that we clearly behaved with the foreign trade bank like a horse pulling an overloaded cart; via our unreasonable decisions we effectively exhausted it. The fact that we were exhausting it was, of course, clear to the leadership of the foreign trade bank, and we knew it too. The appropriate notes were promptly placed on the government's table; certain attempts were made to save this bank, but overall, developments in the 1991 fiscal year as a whole led to this very unpleasant outcome."

Gerashchenko responds to another question on the same theme. When asked by an unidentified correspondent about the danger that domestic exporters would feel discouraged as a result of their experience with the USSR foreign trade bank, Gerashchenko declares: "I do not think the situation is so simple that the posture of the USSR foreign trade bank forces Russian exporters to leave their money abroad. They can leave their money with other banks which show themselves as having an entirely decent reputation. Moreover, I believe this is an attempt to evade those inflationary tendencies which we have in our economy, or more simply just an effort to hide hard currency for investment abroad, because we still do not give permission for dealings with free capital."

He now turns his attention to the problem of transactions between enterprises, noting that "It is very difficult to discuss methods that might be used in the remaining two months. Owing to certain decisions, we have lost control of the state of nonpayments in the national economy between enterprises. Therefore, we are currently completing an internal Russian account balancing. The fear that we might churn out quite a number of substantial credit resources and encourage inflation is not finding much justification, as those funds which enterprises received as credit residues are being used mainly to pay budget debts and to pay off overdue credit debts to the banks; that is, freeing resources for normal functioning of the banks. The question arises, what to do with enterprises which, as a result of the set-off have found themselves with debit residues, as the banking system is not prepared to take these debit residues for credit, in the hope that the enterprises will subsequently find their feet and be able to settle accounts on the debt.

Gerashchenko continues, noting that there have been certain discussions with the state committee for cooperation, and that in general terms they are nearing the conclusion that a substantial proportion of enterprises are bankruptcy candidates, or at least headed for trusteeship. Asked what plans are through the end of the year, he says that "It seemed to me quite possible, initially, that we would need to gather statistics. This is because according to our expert estimates the sum of this debt could total nearly a trillion rubles by the end of the year; further, it is possible that the intentions of the government and the Finance Ministry to obtain additional funds for supplementing circulating capital could ease this problem."

The next set of questions focus on Gerashchenko's attitude toward the privatization program in the light of recent remarks he made in the press. He remarks "There are two approaches to privatization, or to the use of vouchers as a method of transition for individuals to the ownership of shares. It seems to me that the experience of Czechoslovakia, where some organizations bought vouchers from the population freely and with ease, leads us to think that the system of operation of such trust companies should be more organized, more like the Polish experience for example."

"Naturally, we encouraged the commercial banks so they would engage not just in operations to attract and invest the population's funds, but also to conduct so-called trust operations. Then they could take these vouchers from the population and deal with them for the population. When I refer to our system of privatization, our attempt to distribute the national wealth among the population so as to make them interested owners, and when I say I do not believe in such an approach when a person does not actually buy something, even with recourse to bank credits, but gets it for free, then you must know that I am simply basing my views on the statistics which we all have on the operation of foreign economies. The majority of the population in these countries are not owners of any substantial capital or block of shares, as a rule they are owners of houses, and as a rule they work to secure an adequate level for old

age, buying insurance policies or buying, to a certain extent, certificates in medical insurance companies, and in rare cases, buying or investing money in various kinds of trusts which in turn deal in shares."

Gerashchenko discusses the full manifestation of financial power in Russia, stating: "We probably should not talk solely about any kind of financial power, or banking power, or the power of commercial banks or the Central Bank. We should be talking about the power of money, and it is natural that banking structures focus primarily on money. Naturally, in policies, commercial credit policies, and of course by the policies of the Central Bank, they exert their own respective effect and influence on society and on its economic and social development.

"However, if we start from the premise that in our country since say, the 30's, money has not actually been a measure of value, then in current conditions when we are only just building a market economy in which we are going to try and find the proper correlation between the three main values— the value of labor, the value of money—I mean interest rates and exchange rates—and the structure of prices for commodities and services, only in these conditions, when they have been fixed more or less correctly, either by floating freely or, in certain cases, by applying administrative measures, only then will we be able to talk about the influence of money. He adds that "power is a dangerous word in any society, on the life of society. I hope that with time this will come, and overall it seems to me that our banking structures, albeit slowly and with mistakes, are generally developing in the right direction."

Regarding his relations with the press, Gerashchenko says: "I would put it this way; let us start with the good news. I am pleased that at present the press and the mass media are devoting adequate attention to economic problems. Of course, in our present and in future conditions, such attention, professional attention, with the existence of different organs of the press with a body of journalists specializing in these issues, is greatly welcomed by us at the Central Bank. We would like to cooperate with the many organs of the press on many economic matters. Meanwhile, we are occasionally disturbed by a certain flippancy in assessing one event or another. As a rule we keep to this credo: If there is a question, or a problem, then you'd better call us. You can write as things appear to you but do not try to dream things up."

When asked about his attitude to the idea of introducing a Russian ruble, Gerashchenko replies: "I cannot exclude that the course of events and economic interrelations between the former republics, and the desire to insist on one's own vision of a future banking union, could also lead us to such a need".

Gerashchenko then addresses how to solve the problem of indexed savings. He notes that the pace, or volume, of deposits which the population is continuing to place in savings banks have decreased over the past year. He says that according to current assessments the population is still making excess purchases in anticipation of the inflationary process now prevalent. Gerashchenko adds: "We are giving thought to issuing short-term bank bonds, anticipating the movements of the Finance Ministry, which would bear adequate interest and which could be linked with the possibility of obtaining consumer credit."

Replying to a question on the events of August 1991, and whether or not he had changed his views, Gerashchenko answers: "In economics, I cannot see anything in which I would alter my standpoints, having spent a substantial part of my conscious life in an organization linked with free economics. In politics, I would say that to a certain extent it would be more interesting to deal in the broader economic area which used to be called the Soviet Union. However, I think that Russia too, by virtue of its historic destiny, will play a leading role on this continent."

Finally, Gerashchenko takes a question about what he would do to prevent the dollar-flight from Russia were he the full-fledged master of the country's financial system. Gerashchenko ponders for a moment, then states: "As you know, a law has finally been passed on currency regulation. It naturally requires the creation of adequate control measures. I would not say that I would begin working on these measures the very next day, because we are already doing so. The main problems here again concern staffing. So I would say the next step I would take would be to propose members for the council of directors."

Ministry Says Production Decline To Slow in 1993

OW1011042492 Moscow INTERFAX in English 1723 GMT 9 Nov 92

[From the "Economy Forecasts" section of the "Business Report" feature; following item transmitted via KYODO]

[Text] The lifting of price restrictions in 1992 on the majority of goods in Russia, the continuing state monopoly on the manufacture of certain products, and the slow rate of privatization in industry have had an adverse effect on production in the republic and contributed to the breakdown of economic ties between enterprises in the Commonwealth countries and Russia. The situation in industry has also worsened due to the cash-flow problem and the concomitant payments crisis. A socio-economic forecast for Russia in 1993 prepared by the Ministry of Economics shows that declining production rates for 1992 will amount to some 20%, but given the continuing recession will slow down somewhat in 1993.

The highest production fall (in cost terms) in 1992 is expected to occur in the non-ferrous metals industry (28%) and in the chemical industry (27%) with the food and light industries following closely (22% and 23%

respectively). Oil and coal production will continue to fall, as will the production of rolled ferrous metals and the most important types of non-ferrous metals—tin, lead, copper, nickel and zinc.

In the chemical and paper-making industries there has been a decline in the output of mineral fertilizers (17%), building timber (12%) and paper (20%). In the engineering industry falling production over the first eight months of the year has varied from 26 to 40%

The Fuel and Power Industry.

Oil production in 1992, according to the socio-economic forecast, will be 397 mn. [million] tons (86% of the 1991 level), while the production of coal will be 335 mn. tons (95%) and electricity 1030 bn [billion] kilowatt hours (96%).

The compilers of the forecast suggest that the production of oil (together with gas condensate) will be down 56 mn. tons in 1993 on the 1992 figures, which will result in a reduction in oil exports from Russia to the Commonwealth countries and abroad of 60 mn. tons. But falling production could be restricted to 10%, if foreign companies are attracted into oil production and one third of the wells that are now standing idle can be got working.

Petrol production in 1993 is forecast at 34.6 mn. tons; diesel oil at 65.8 mn. tons; and jet engine fuel at 13.5 mn. tons, which is 20% lower than the forecasted levels for these commodities in 1992.

Gas production in 1993 is forecasted at 650 cub. m. [cubic meters] (101.5% of the 1992 level). Gas exports will increase 5%, amounting to 105 bn. cub. m., but to the Commonwealth countries and the Baltic states they will drop 6% and amount to 98 bn. cub. m.

The Coal Industry and Electricity.

Coal production in 1992 is expected to be 335 mn. tons and remain at that level in 1993. This is lower than the consumption levels from 1975 to 1990 (which averaged at approximately 380 mn. tons). Electricity generation in 1993 is forecasted at 1010 bn. kw. [kilowatt] hours against 1030 bn. kw. hours, which was forecasted in 1992. But at the same time the reduction in the stoppages at the nuclear power stations (where work is being completed on raising safety standards) will, according to the compilers of the forecast result in increased production at the nuclear power plants.

Ferrous Metals Industry.

The production forecast in the ferrous metals industry for 1993 was developed on the basis of estimates of the effective demand and the degree to which the industry can be provided with the necessary resources, particularly coking coal and ferrous scrap and waste. Rolled ferrous metals production is estimated at 46. mn. tons and steel pipe production at 8.2 mn. tons (which is 500,000 and 200,000 tons respectively lower than 1992's production).

Government Wants R4.5 Trillion in Investment in 1993

OW1011020992 Moscow INTERFAX in English 1546 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] The Russian Government considers the stimulation of investment activity in the country to be the key to the restructuring of economic and budgetary policy in 1993. The statement was made on Thursday [5 November] to journalists by Russian Minister of Economics Andrey Nechayev, who is scheduled to deliver a report at a coming cabinet meeting. He reported that next year, the volume of investment will be on the order of 4 to 4.5 trillion rubles [R], most of which will be government capital.

According to preliminary figures, in the coming year, centralized government investment will total over 1.2 trillion rubles, with about 930 billion coming from the federal budget and another 300 billion or so coming from local budgets. According to the Leonid Paydyev, the Economic Ministry's head of demonopolization and privatization, however, in order to prevent a critical slump in production, the government will have to invest some 3 trillion rubles more.

In Paydyev's opinion, the government will have to obtain the necessary funds from the sources discussed below.

There is the agreement reached with the Central Bank of Russia (CBR) on the granting in 1993 of preferential (at maximum, 25% of the annual total) investment credits totalling 250 to 300 billion rubles, the interest on which will be paid off by the state.

Paydyev also reported that a draft document had been prepared by the government which would soon be examined by the cabinet which contains a recommendation that all depreciation payments of enterprises be deposited in a special bank account, which in turn would be usable by enterprises for investment only. According to government estimates, the account would contain about 1.5 trillion rubles in 1993.

The government hopes to receive another several tens of billions of rubles, according to Paydyev, through the exemption of enterprises from taxes on that part of their profits which they invest in developing production.

Aside from budgetary means, CBR credits, and the capital of state enterprises, the total volume of investment will have to be increased by private investment, the use of people's savings in non-state medical insurance and pension funds (amounting to about 50-100 billion rubles), and foreign investment in the form of credits and direct investment (in all, about 3 billion dollars).

INTERFAX therefore presents the list of government recommendations for increasing investment activity in Russia.

Among the primary measures suggested are:

1) the exemption from taxes of dividends going to social development and payments to medical insurance or pension funds;

2) the indexation of enterprises' fixed assets;

3) the financing of capital investment in social needs;

4) the creation of a system of control over the use of preferential credits from the CBR for the purpose of investment;

5) the changing of the standard practice of reserving private funds in commercial banks and of the investment of freed-up capital;

6) the use of preferential credits from the CBR (at maximum, 25% of the annual total) to guarantee state support for the completion of the most important construction projects and developments which are in a state of high readiness;

7) the mobilization of the population's savings and the financing of the construction of housing;

8) the establishment of a single insurance system for domestic and foreign investment;

9) the establishment of regional and local commissions for the state support of enterprises;

10) the establishment of a system for the collection and use of depreciation payments and profits going for capital investment.

In addition, the following secondary plans have been proposed:

1) the devising of a state plan for developing a bond market;

2) the tax exemption of a part of the profits of an enterprise equal to its payments into non-state pension funds and of its returns from investments made for non-state pension funds;

3) the fostering of leasing-based investment activity;

4) the assurance that Russia will be the legal successor to the former USSR as concerns bilateral agreements with other countries and the encouragement and protection of capital investment, as well as avoiding double taxation;

5) the creation of "pilot" investment programs involving foreign capital;

6) the stimulation of the attraction of foreign credits and investment in priority areas and regions with critical economic and environmental situations.

It is expected that in order to carry out these reforms, a state investment program for 1993 will be devised with the expectation of dynamic investment activity until the year 2000, as well as the founding of a state investment company and a network of branch investment banks.

'Gazprom' Privatization To Produce 'Supermonopoly'

PM1011113192 Moscow IZVESTIYA in Russian 24 Oct 92 Morning Edition p 2

[Report by Mikhail Berger: "'Gazprom' Can Keep Its Monopoly. A Dangerous Example for Other Sectors"]

[Text] A Russian presidential edict has been prepared on turning the "Gazprom" State Gas Concern into the Russian "Gazprom" Joint-Stock Company.

The editorial office has learned that a presidential edict has been prepared and will probably be signed in the very near future on creating on the basis of the "Gazprom" State Concern a Russian joint-stock company with a similar name. According to the edict, the Russian joint-stock company will succeed to the concern's property rights.

But the most important point is that the edict, envisaging a special privatization procedure for the gas industry, effectively secures "Gazprom's" monopoly in the Russian gas market, and this supermonopoly embraces gas extraction, gas pipelines, and part of the corresponding machine building sector.

All efforts by opponents of this approach to separate transport from extraction or to demonopolize this sphere in some other way have met with hostility on the part of sector representatives. "Gazprom" gets to remain the biggest monopoly in the world.

Experts close to government circles believe that the appearance of this document was the result of direct pressure by the energy lobby on the president. With the onset of the cold weather this pressure, accompanied by warnings that "otherwise we will let the country freeze and leave everyone without heating," is significantly increasing. The point is that some time ago draft normative documents were prepared on privatization in the sector, which, according to experts, did not violate the general ideas of reform. Evidently, the approach of winter or some other circumstances enabled gas industy representatives to radically change the direction of the transformations.

According to experts from government circles who chose to remain anonymous, the edict establishes a dangerous precedent for representatives of other fuel and energy complex sectors, who will also be demanding "special terms" for privatization. Experts believe that it was the differences of opinion between the reformist wing of the government and the energy lobby in May that brought about the cabinet reshuffle.

Since it does not conform to legislation, the edict requires Supreme Soviet endorsement.

Unified Export, Import Procedure To Start 1 Jan

LD0811175492 Moscow ITAR-TASS World Service in Russian 1329 GMT 8 Nov 92

[by ITAR-TASS correspondent]

[Text] Moscow, 8 November—A unified procedure for licensing and establishing quotas of exporting and importing goods, including deliveries to the CIS countries of Azerbaijan, Georgia, Latvia, Estonia, and Lithuania is being introduced on the territory of the Russian Federation with effect from 1 January 1993. In accordance with the resolution of the Russian Government, the procedure for licensing and establishing quotas of exporting and importing goods covers all companies and individuals involved in economic activity on Russian Federation territory, irrespective of the forms of their property, ownership, and place of registration, with the exception of instances provided for by Russian legislation and Russia's international treaties.

Innovations Fund To Be Liquidated

LD0811210992 Moscow Radio Rossii Network in Russian 1700 GMT 8 Nov 92

[Text] The government of the Russian Federation has approved the proposal of the Ministry of Finance and the State Committee for Management of State Property to have the republican innovations fund liquidated. This decision has been taken in view of the fund's inability to fulfill its undertakings. In its resolution, the Russian Government has instructed the Finance Ministry to appoint a liquidation committee by 1 January and to ensure that problems arousing from the closure of the innovations fund are resolved.

Goskomstat Releases Money Supply Statistics

PM1011094992 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 92 First Edition p 2

[Unattributed report: "Incidentally"]

[Text] According to data of the Russian State Committee for Statistics, during the first nine months of this year the population spent 1.9 trillion rubles [R] (5.8 times more than during January-September 1991) on buying goods and paying for services.

The proportion of cash in the population's hands has increased significantly. During the first months of 1992 the amount of cash increased by R742.5 billion and stood at R898.6 billion as of 1 October.

Policy on Grain Prices, Consumer Subsidies Examined

PM1011102992 Moscow IZVESTIYA in Russian 7 Nov 92 Morning Edition p 1

[Yelena Yakovleva report: "How to Hold Bread Prices in Check"]

[Text] The Russian Government intends supporting agricultural producers with more subsidies from the state budget. The plan is to channel around 270 billion rubles [R] into the agro-industrial complex (including peasant and private farms) this year.

The official explanation for this measure is that it is needed to stabilize the economy and reduce free retail prices for basic foodstuffs. First and foremost, this means bread.

At present free retail prices are as follows: One kilogram of rye bread costs R31-R32, a kilogram of first- and second-grade wheat bread costs R32-R38, while a kilogram of top-quality wheat bread costs R45-R60.

The Russian Government intends using restrictive measures to reduce the price. Local organs of the executive have been instructed to maintain the profitability of bakery enterprises at a level of 10-15 percent of cost price and to maintain the absolute amount of commercial supplements for trade. It is calculated that this will cut the retail price of bread by 12-18 percent (R5-R6).

In addition, the government has confirmed that it will buy 1992 harvest grain at R11,000 per tonne. This price does not please the producers (prices at joint grain auctions in Saratov reached R17,000-R18,000 a tonne). The government points out, however, that this is two to three times higher than last year and cites the fact that this price guarantees grain growers profitability of over 300 percent. It advises people to look at Kazakhstan, where prices are 1.5-2 times lower but the cost price of grain is 1.5 times higher than in Russia.

The fact that the government's policy on the "grain" question is obviously not market-oriented [nerynochnost] could be explained by the need to limit the monopoly of the processors but it is hard to explain the support for the monopoly of state procurement workers.

However, the local authorities are increasing direct subsidies to consumers. The record here belongs to the Voronezh administration, where pensioners, invalids, and large families will be given targeted subsidies of up to R1000 a month because of the rise in bread prices.

Even though the direct subsidies to the consumers are designed to be more effective, the government is forced to continue subsidies to producers, too. The republic budget will pay compensation to all land users for the cost of reclamation work, fuels and lubricants, natural gas, and other types of fuel supplied in exchange for produce in excess of the mandatory delivery targets. In addition, it envisages preferential credits and resources for the maintenance of the social infrastructure and capital investments.

Even highly efficient Western private farms cannot manage without state support and protection. Therefore, people object not so much to the government's financial

aid to agricultural producers as to the total lack of mechanisms for the effective implementation of that aid in our country.

'General Apathy' Slows Land Referendum Petition

PM0911111992 Moscow ROSSIYSKAYA GAZETA in Russian 6 Nov 92 First Edition p 3

[Item from roundup of RIA, NOVOSTI, and ITAR-TASS reports under the "Reform" rubric: "Collection of Signatures Proceeds With Difficulty"]

[Text] The collection of signatures in support of holding a referendum in Russia on private land ownership at the moment lags behind the schedule envisaging the collection of 1 million signatures by 18 November. The cause is general apathy among the population. In addition, the headquarters possesses information about blatant sabotage of this undertaking by the postal services, whereby employees of several postal departments have refused to accept envelopes carrying the special mark "Referendum". [sentence as published]

Military Issues

Army To Get Housing From Scrapping Missiles

PM0611153192 Moscow KRASNAYA ZVEZDA in Russian 6 Nov 92 p 1

[Article by Oleg Falichev: "'Missiles-Housing' Project—A Creative Approach to Solving Social Problems"]

[Text] On 7 October this year KRASNAYA ZVEZDA wrote about how, under the START Treaty, the Strategic Rocket Forces had started removing some silo-based delivery vehicles. ("The country people heard no explosion, even though it was in a ballistic missile silo"). We spoke about how the considerable amounts of money obtained from the steel, precious metals, and technological equipment would be used to resolve urgent social programs for the missile troops.

But that was just, as they say, a "trial balloon" from the servicemen. Russian Federation Government Decree No. 820 "On the Rational Utilization for the National Economy of the Missile Complexes To Be Scrapped in Connection With the Reduction and Limitation of Strategic Offensive Weapons" was adopted 22 October 1992.

A lot has been written about the problems of building housing for servicemen and about the housing shortage. Readers are already sick of the subject. But, regrettably, it cannot yet be removed from the agenda. Why not?

Notwithstanding all our good intentions and even good laws and decrees, it is impossible to build thousands of apartments overnight. That takes funds, contract construction organizations, and materials... But now that the country is embracing the marketplace, the most unforeseeable difficulties are cropping up. That is reality, and we cannot close our eyes to it. What is the answer?

Clearly, it is to seek creative solutions and for both the "needy" and for state, local authority, and commercial structures to show initiative and eesourcefulness, and to seek out mutual interests. One such example is the aforementioned decree, which envisages the further use of income "obtained from the rational utilization for the national economy of the missile complexes to be scrapped in connection with the reduction and limitation of strategic offensive weapons." Let's not bang the drum straightaway—nobody is immune to abuses, delays, or accidents. Clearly, it will only be apparent after a year or two just what the missile troops will gain from this action. But the "process" itself and the chosen vector of movement undoubtedly merit attention. So, just what will the decree signed by Ye. Gaydar provide the missile troops?

Before answering this question, we should explain that the project is mainly being financed out of attracting funds from domestic and foreign investors. Such as who? Mainly the ministries—as were—and departments which many years ago set up and equipped the Strategic Rocket Forces. Today they no longer exist, but their successors do—commercial structures, associations... These include the "Scientific and Technical Progress" Association for business cooperation with foreign countries, the "Submarine-Launched Ballistic Missile Conversion" Association, the "Joint-Stock Union for Conversion Activity" and "Recyclable Resources" joint-stock companies... These will not only use the available equipment and metal, but will do further work on the missiles to make them suitable for commissioning by domestic and foreign firms for commercial space launches, and will reequip launch complex territories for farming and construction.

Readers would be right to ask where are the guarantees that the funds thereby released will be used as planned rather than being squandered on other aims. Might it not be the case that there will be no money at all for building housing? For instance, a joint-stock company might pledge to dismantle a missile complex and give 20 percent of the profits to build housing for the missile troops. But there might not be any profit if the money raised by selling property is used on lavish payouts to "shareholders" or on various presentations and receptions... I think the main guarantee that resources will be preserved is that the general client for the project is the Russian Federation Defense Ministry. And all the work to develop commercial space rocket systems on the basis of missiles due to be scrapped will be coordinated by the Russian Space Agency. That is to say, structures which not only have an interest in, but are knowledgeable about the terrible housing situation for officers. Overall control will lie with the Russian Federation State Committee for the Management of State Property and the Russian Federation Ministry of Finance, which, together with the Russian Federation Defense Ministry, are finalizing the elaboration of statute to determine the organization of the fulfillment of work under the project, the timetable and procedure for the handover of the missiles and

combat launch complexes, the procedure for payment [raschety] for the work, and the utilization of the income received. It is planned that officers and warrant officers from military units, test ranges, and missile elimination bases will themselves participate in the work.

What has already been done? I put that question to Yu. Prudnikov, deputy general director of the "Recyclable Resources" Joint-Stock Company.

"We have submitted the plan for the construction of housing and its handover before the end of 1993 to the Strategic Rocket Forces High Command," Yuriy Nikolayevich said. "But this will be no unfinished construction project: The funds realized have already been 'put to work'..."

Prudnikov said that it is planned to hand over several apartments for missile troops in Gatchina before the end of the year. The bulk of the housing (400 apartments) will be commissioned next year in St. Petersburg and the oblast. Leningrad Military District construction organizations and civilian construction firms are involved in this.

Also important is the fact that housing will be allocated to servicemen at preferential prices. Additional funds have been mobilized for this purpose.

One last point. The Army itself, of course, should not get involved in commerce. It has different tasks. But, since the conversion process is inevitable, it should get some real benefit out of it. And if it is approached intelligently and, above all, with concern for people in uniform, then good results can be achieved.

Miscellaneous Issues

New Chief of Moscow Militia Appointed

LD1011114692 Moscow ITAR-TASS in English 1014 GMT 10 Nov 92

[By CRIME-PRESS for TASS]

[Text] Moscow November 10 TASS—New head of Moscow militia, 53-year old colonel of militia Vladimir Pankratov, was presented to the personnel of the Main Board of the Interior of Moscow on the eve of the day of the Russian Militia.

Pankratov has served for almost three decades in the interior, worked with the Criminal Investigation Department, supervised a district of the interior agency, was chief of the State Traffic Inspection of Moscow and until now was deputy chief of the Moscow Main Agency of the Interior.

The new head of the Moscow militia assumed his duties as of Tuesday morning.

Internal Affairs Minister Interviewed on Militia, Crime

PM0911220992 Moscow KOMSOMOLSKAYA PRAVDA in Russian 7 Nov 92 p 3

[Interview with V.F. Yerin, Russian Federation internal affairs minister, by I. Chernyak, V. Larin, V. Filin, and A. Khokhlov under the "Direct Line" rubric; place and date not given: "'We Demanded the Disarming of Ministers and Prefects.' On Eve of Russian Militia Festival, Viktor Yerin, Russian Federation internal affairs minister, Answered Readers' Questions"—first paragraph is introduction]

[Text] From KOMSOMOLSKAYA PRAVDA's file: Viktor Fedorovich Yerin was born in Kazan in 1944. He is a colonel general of the internal service. Unlike previous internal affairs ministers, he went up all the rungs of the official ladder: He was a detective officer for a rayon internal affairs department in the city of Kazan (from 1964), he worked in the Tatar Autonomous Soviet Socialist Republic Criminal Investigation Department, and he traveled the path from detective officer to administration chief (1967-1983). During 1980-1981 he was in Afghanistan. During 1983-1988 he was chief of a department of the USSR MVD [Ministry of Internal Affairs] Struggle Against Embezzlement of Socialist Property and Speculation Main Administration, and during 1988-1990 he was first deputy internal affairs minister of Armenia. From 1990 he was deputy and from 28 February 1991 first deputy internal affairs minister of the RSFSR and then of the USSR. Since 15 January 1992 he has been internal affairs minister of Russia.

"Guards!"

[KOMSOMOLSKAYA PRAVDA] Esteemed minister, here is a call from Rostov-na-Donu. How do you intend to combat organized crime?

[Yerin] In accordance with the president's edict, we have enhanced the status of the already existing Main Administration for Organized Crime. Its leader—Mikhail Konstantinovich Yegorov—was present at the birth of this subdivision and is now a first deputy minister. We are setting up rapid-response detachments, and with the help of a contract system we are attracting officers who are being discharged from the army. We have already accepted 2,000 men, 1,500 are in the process of being registered, and we are ready to take on more, for this is a solution to the social problem. We will equip subunits with additional facilities, the Defense Ministry will provide some special facilities and hardware, and we will also reinforce air subunits so as to transfer forces from region to region in a more mobile manner. As for matters today, in just six months these subunits have succeeded in uncovering criminal groups with a total membership of 10,000 people, and more than 1,500 firearms, 19 tonnes of narcotics, and a large quantity of valuables and money have been confiscated.

[KOMSOMOLSKAYA PRAVDA] This is Yelena Anatolyevna. They are threatening to kill me. I have been to the militia, but they said that this is not a matter within their competence. I am frightened...

[Yerin] There are questions which really do not fall within the militia's competence. With regard to a threat of murder you must apply first of all to a court, by way of a private indictment. But, of course, if immediate danger threatens you, the militia will come to your assistance.

[KOMSOMOLSKAYA PRAVDA] Minister! Will the question of issuing weapons to the population be resolved?

[Yerin] The Supreme Soviet is now examining several drafts of a law on weapons. There are versions that provide for the possibility of weapons sales to citizens. But I personally believe that this is inadmissible under our conditions today. As a means of self-defense it is more expedient to allow the population to acquire gas canisters and gas pistols, but only using tear gas.

[KOMSOMOLSKAYA PRAVDA] Viktor Fedorovich, I am Tatyana from Moscow. I have heard that a "militia of morals" will soon be set up in our country...

[Yerin] I do not know what this is. Under the law on the militia we have a criminal militia and a public security militia, in other words a local militia. I am not sure that the militia in general should tackle any morals; in my opinion, we have already been through that, when the militia attempted to measure the width of pants with a ruler.

[KOMSOMOLSKAYA PRAVDA] My apartment was burgled, and they took away items worth 200,000 rubles. People say that, if your car has been stolen, for example, you can apply to the court, and they will compensate you for its value.

[Yerin] That is both true and not true. Yes, there really is a norm in legislation which provides that a victim of a crime is reimbursed at the state's expense in accordance with a court decision. But the mechanism for implementing this has not yet been finally drawn up.

[KOMSOMOLSKAYA PRAVDA] Viktor Fedorovich?

[Yerin] Yes, hello.

[KOMSOMOLSKAYA PRAVDA] Hello, this is Chumakov, a pensioner. In the Moscow television program "Face the City" in August Mr. Murashev, Moscow militia chief, declared that the protection of citizens against criminals in the streets is a matter for citizens themselves. He referred here to the fact that people in New York are warned not to go out into the streets late at night. But it is possible to stroll in the rich districts of New York. We too, he said, will have districts of the rich and the poor: "safe" and "dangerous..."

[Yerin] I did not see that program, and this is the first I have heard of such a concept. As minister, I can declare that the internal affairs organs and the militia have it as their chief task to protect the interests of all citizens, regardless of nationality and wealth.

[KOMSOMOLSKAYA PRAVDA] But just look at what is being perpetrated: thefts, larceny, murders. Murashev himself has a pistol and he has issued Moscow ministers with weapons, but what about us? In general, can a nonprofessional, a heat engineer by profession, albeit one with democratic convictions, hold such a responsible post?

[Yerin] I would divide the question into two parts. It is not important to me whether he is a heat engineer, a democrat, whatever. A person can receive a particular education, belong to a particular political movement—this is not a determining factor. Of course, I agree that a professional is needed, and it would be better to have in this post someone who knows the militia's business, but many questions have been resolved recently with due regard for the processes which occurred in August 1991.

Nevertheless, I respect Murashev. He had to possess courage to put on such a yoke. But at the same time he finds it hard to lead. This does not benefit Moscow. We have realized this and done a lot to help the Moscow Internal Affairs Main Administration; our brigades have not yet pulled out of there, and I myself have rescinded some of Murashev's unfortunate—to put it mildly—decisions. He received a reprimand for illegally issuing weapons to the Moscow government, and we demanded the disarming of ministers and prefects. In addition, we have repeatedly turned to the Moscow government and raised questions about the need to reinforce the Internal Affairs Main Administration. As you know, a decision was adopted recently.

But I would not lay it on too thick by saying that people are frightened to go out into the street, and so forth. I myself live in Moscow and walk on the streets.

[KOMSOMOLSKAYA PRAVDA] Viktor Fedorovich, this is Chelnokov from Buryatia. I have a question: When will you instill order? Will there be a drop in crime next year, at least?

[Yerin] I am a realist, and I rely not only on my professional feelings but also on science, on the research being conducted in our institutes and academy. A prognosis of crime has been drawn up through 1995, and it is depressing. It is evidently too early today to speak of stabilization of the crime-generating process. A number of circumstances of the transition to the market will also bring about an increase in crime. Take unemployment, for example. In the West it has long ago been proven both by science and by practice that growth in crime is directly dependent on growth in unemployment. We must not deceive ourselves. It is another matter that it is possible to speak of stabilization of the effect on crime and of stepping up control—there are hopes. During the first nine months of this year we cleared up 134,700

more crimes than during the same period last year. More than 18,000 serious crimes were cleared up—murders, rapes, aggravated robberies. With regard to murders we are generally keeping stable our good clear-up record of 80 to 85 percent.

Internal Affairs of the Internal Affairs Organs

[KOMSOMOLSKAYA PRAVDA] Hello! This is Sergeyev of Abakan. In my view, the militia is obsolete. Will it be transformed into a police force?

[Yerin] Hmm... The essence of the name changes nothing. If you have been following the changes in the militia, you must know that they are real changes.

[KOMSOMOLSKAYA PRAVDA] It seems to me that the professional and social status of the police is far higher than the militia's. Acquaintances in the Baltic region say that a police force means a new quality.

[Yerin] I have somewhat different information. The Russian militia is in no way inferior to the police forces of Lithuania, Latvia, and Estonia. Moreover, I have worked a great deal with U.S. policemen, and they are amazed that under such working conditions our militia fulfills all the tasks and functions entrusted to it.

[KOMSOMOLSKAYA PRAVDA] Barsukov, master sergeant in the militia. Hello, comrade general. Do you know whether our wages will be increased?

[Yerin] As of 1 November this year, a government decision increased the pay of militia workers by 50 percent.

[KOMSOMOLSKAYA PRAVDA] Hello. This is Nikolay Samuilovich Viktorov speaking. My son went missing 12 July 1992. I applied, as is stipulated, to the local militia station. They started a file, which they then passed to the Krasnogvardeyskiy Rayon Internal Affairs Department. Then to Petrovka. There they said you must transfer to the Solntsevskiy Rayon Internal Affairs Department. What is going on?

[Yerin] There is such a form of work—reassignment of inquiry. Certain circumstances necessitating such a transfer evidently came to light during the inquiry.

[KOMSOMOLSKAYA PRAVDA] Time is going by, but no one seems to be looking for my son...

[Yerin] I promise you that I will give an assignment in your case to investigators in the main administration.

Little by Little About Everything

[KOMSOMOLSKAYA PRAVDA] People in Samara are worried: When will weapons be issued to officially registered private protection agencies and detectives? Will the MVD cooperate with private detective agencies?

[Yerin] In general, there is the Law on Private Detective and Protection Activity in Russia. It clearly defines the role of the MVD. We are entrusted, first, with licensing. Those who wish to open a protection or detective agency submit documents to us, we study the people, their experience, previous convictions, and so forth, and if all the requirements of the law are observed, we issue a license. We arm employees of protection agencies with 9-mm Makarov handguns and rent them out for payment. Instructions on the procedure for issuing weapons and ammunition and on norms for the price of renting weapons and means of protection will reach all local internal affairs organs in a few days.

I do not understand something else. Why are the emergent entrepreneurial structures so mistrustful of our extradepartmental guard service, which has been in existence for 40 years and is very well equipped technically? I see what sums are paid to private guards—ours take far less.

[KOMSOMOLSKAYA PRAVDA] This is Petr Volobuyev of Krasnoyarsk, comrade minister. What do you regard as the sorest point in the MVD system? What, in your opinion, has not yet worked out?

[Yerin] I will begin with the second question. A great deal has not worked out. The chief thing, in my view, that has failed is that those who serve in all city and rayon organs, in other words those who work in the field, should unbend from their "bowed" state and behave more decisively.

I would single out three sore points. The first is protection of law and order, responding efficiently and quickly to citizens' summons. But questions of providing duty units with transport, fuel, reliable communications, and so forth are already arising here. The second concerns organized crime and corruption. Our efforts here are still inadequate to the situation. We know a great deal and have investigated a great deal, but we have not yet found good ways to document and expose serious organized criminal formations. The third is the state of affairs in correctional labor establishments. The switch to market relations requires serious changes to all economic activity and the production base, and new, innovative solutions. Of course, when defenders of rights come from the West and say: How is it that in our country there are two people to a cell, with white sheets, color television sets, tennis courts, sports halls, and free outings? But in your country there are three-tier bunks. I too would be pleased to do things the way they are done in Switzerland, but I believe as a statesman that we must first create such conditions at least for law-abiding citizens. We are revising the nutrition norms and raising questions of allocating funds for the construction of new detention centers, with good planning, but the state cannot do everything.

[KOMSOMOLSKAYA PRAVDA] This is Lyubov Georgiyevna Sychova calling you from Orenburg. Yeltsin has issued a directive that without the written consent of a serviceman during his compulsory term of service and the consent of his parents no one has the right to send him to serve in "hot spots." Please explain

the concept "hot spot," as well as the legitimacy of sending a unit of internal troops from Orenburg to Kizlyar.

[Yerin] With regard to sending that unit to Kizlyar, this was absolutely lawful. No one will explain to you the concept "hot spot," because it is subjective, not legislative. The operational situation is periodically complicated for us in a number of regions. Today in one, tomorrow in another. We have to maneuver the internal troop forces.

[KOMSOMOLSKAYA PRAVDA] Aleksandr Bylevskiy of Zaporozhye in Ukraine. Many republics of the former Soviet Union have now become a refuge, a cesspool for criminals. This can be seen most vividly in the example of Chechnya. Someone who has committed a serious crime in any region today can go to Groznyy and be sure that he will not be touched there!

[Yerin] That is not quite true. Of course, there are individual instances when criminals take advantage of the present muddle and try to use it to take cover. It is no coincidence that we regularly hold conferences of the internal affairs ministers of the now sovereign states. Agreements have been concluded, and mutual assistance is being given in carrying out operational inquiry activity and investigative measures and helping each other to clear up crimes.

[KOMSOMOLSKAYA PRAVDA] My name is Nina Ivanovna. My son is serving a sentence in a [forbidden] zone. I went to see him, and he passed to me a power of attorney drawn up by the chief of the zone to obtain a voucher. I cannot get to the bottom of it in Moscow, for they say there are no such directives...

[Yerin] Nina Ivanovna, all the directives on this do exist. The procedure has been defined for issuing [the voucher] in exchange for a power of attorney, and you have a right to this. As far as I remember, the procedure is defined as follows: In places of imprisonment the convict himself receives the voucher, which is kept in his personal file; he then has the right to pass it on. This order has been issued in all correctional labor establishments, and they must fulfill it.

On Politics

[KOMSOMOLSKAYA PRAVDA] My name is Yuriy Afanasyevich. Will the militia break up working people's rallies?

[Yerin] Do you have any such examples?

[KOMSOMOLSKAYA PRAVDA] Yes, there have been some.

[Yerin] Which ones? I do not know of them. The militia ensures law and order when any mass measures are held, including rallies. Unfortunately, colossal forces are devoted to this work. It would be better for the militia to work in complex crime spots and in dark alleyways, where thefts and violent robberies are committed. I greatly desire that fewer rallies be held, for in my opinion we have gotten over the euphoria of rallies. We must all do more work—everyone in his work place—and not hold rallies.

[KOMSOMOLSKAYA PRAVDA] Viktor Fedorovich, I do not wish to give my name, OK?

[Yerin] In general that is up to you.

[KOMSOMOLSKAYA PRAVDA] I have this question: What feeling did you have when reprimanded by Yeltsin for the existence of Khasbulatov's guard, and do you consider it fair?

[Yerin] Of course I do. I should have acted more insistently, although formally I turned to various bodies: I wrote letters, signed papers, and said that there were violations of the law there. But since I, as minister, did not see the matter through to the end, this means I was guilty. I told the president this. That administration has now been disbanded. All facilities which have no bearing on the Supreme Soviet have been returned to the protection of the Internal Affairs Main Administration.

Accord Signed on Space Communications System

MK0611113192 Moscow KOMMERSANT-DAILY in Russian 6 Nov 92 p 1

[Unattributed report: "Space Communications System Being Set Up. 'Vympel' and 'Energiya' Manage Without State Budget"]

[Text] Yesterday the board of directors of the "Vympel" interstate joint-stock company approved an agreement with the "Energiya" science and production association on cooperation and the division of spheres of activity between these two major firms in the military-industrial complex in creating the "Globis" global space communications system.

The "Globis" comprehensive space communications system is to provide telephone, radio, and television communications between subscribers anywhere on the planet, and also communications channels between computer systems. The ground-based portion of "Globis" will consist of a network of groundstations maintaining the "earth-satellite" communications channel and providing communications with all subscribers in the zone of each station. The space-based portion includes several heavy "platforms" carrying communications apparatus in stationary orbit. Each will weigh around 19 tonnes (almost 10 times more than conventional communications satellites) and be placed in orbit by an "Energiya" carrier rocket. The plan of work on the "Globis" system envisages elaborating an outline project by the end of 1992 and launching an experimental satellite in 1996.

According to the agreement, the main developer of all the ground-based communications apparatus for the "Globis" project is "Vympel," while the "Energiya"

science and production association is the parent organization for creating the space-based part of the system.

The initiator of the project (formerly called "Marafon") is the "Energiya" science and production association. The association had been trying fruitlessly since 1990 to secure state financing for it in competition with another, less ambitious project whose parent organization is the Applied Mechanics Science and Production Association in Krasnoyarsk. Government directive No 1184-r of 1 July 1992 told the ministries concerned to look into the possibility of allocating frequency bands and to determine the possibility of using the "Globis" system in the interests of the national economy, but said nothing about budget financing. As a result the Applied Mechanics Science and Production Association received state support, while "Energiya" had to look for a commercial sponsor.

The sponsor is the commercial Telebank and the joint-stock company "Finansy Telebanka" which it has set up. The terms of the agreement with Telebank are not being disclosed, but KOMMERSANT has learned that the line of credit it has granted for the period through the end of the year at present totals several million rubles. KOMMERSANT will return to the "Globis" project 25 December [month as published].

Telephone number of the "Vympel" interstate joint-stock company: (095) 152-43-94

Telephone number of the "Finansy Telebanka" joint-stock company: (095) 291-87-06

Supreme Soviet

Supreme Soviet Appeals for End to Ossetian Fighting

LD0611172892 Moscow ITAR-TASS World Service in Russian 1257 GMT 6 Nov 92

[By the ITAR-TASS correspondent]

[Text] Moscow, 6 November—The Supreme Soviet of the Russian Federation has expressed "profound concern" at the development of the Ossetian-Ingush conflict, which has been continuing for a week now, and urged the opposing sides to "end their fratricidal war." An appeal adopted today stresses that never and nowhere have coercion, aggression, and enmity helped to restore justness.

Parliament adopted this document after being briefed by Yevgeniy Abramov, first deputy minister of internal affairs, on events in North Ossetia. The latter reported, in particular, that by this morning the separation of the opposing sides had been virtually completed. At the same time, he said, the situation in the area of the conflict remains complex. Attacks have been made on servicemen.

The Russian parliament has appealed to all peoples and all the bodies of power and administration in the North Caucasian region to do everything possible to halt the bloody conflict.

The appeal also contains a request to the media to "show restraint and objectivity" in appraising the situation in the zone of the conflict, which has already taken 158 lives.

Legislators Criticize Khasbulatov on Welfare Fund

OW0611190992 Moscow INTERFAX in English 1701 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] Chairman of the Russian Supreme Council Ruslan Khasbulatov received sharp criticism at a Moscow press conference on Friday when the parliamentary reform coalition called him a "legal nihilist". The press conference was attended by Lev Ponomarev, Viktor Sheinis, Gleb Yakunin, Aleksey Surikov and Sergey Kovalev.

A. Surikov made particular reference to welfare fund for the population which, he said, "was at Khasbulatov's personal disposal and was, in fact, a fund for bribing Russian People's Deputies".

In an appraisal of the activities of the Civic Union, the participants of the press conference pointed out that the reform coalition was ready to enter into political collaboration with the Union, but that it categorically refused to support its demands for the resignation of a significant number of the members of Gaydar's team. The fact that the Civic Union, "while voicing its favour of Gaydar himself, wanted to see virtually his whole team go," was highlighted at the press conference.

Khasbulatov Foresees 2-3 More Years of Hardships

OW0711021392 Moscow INTERFAX in English 1701 GMT 06 Nov 92

[Following item transmitted via KYODO]

[Text] Ruslan Khasbulatov, the head of the Russian parliament, believes that the hard situation will remain "in the near 2-3 years." Nevertheless during his meeting with the Greek Foreign Minister Mikhail Papakonstandinou on Friday, he expressed his conviction that the structural reorganization of the economy which had been conducted over this period of time, creation of market structures, legislative basis for competitive economy "would assist in a mighty economic progress." Khasbulatov also declared that the majority of the Russian citizens believe that economic reforms are necessary for the country and that there is "no deviating from the reforms in Russia."

Opposition Deputies Want TV Debate With Yeltsin

PM0911111592 Moscow SOVETSKAYA ROSSIYA in Russian 6 Nov 92 p 1

[Letter from Russian People's Deputies I. Konstantinov, N. Pavlov, Yu. Sidorenko, A. Surkov, V. Khayryuzov, and M. Chelnokov: "We Invite You to Dialogue"]

[Text] To B.N. Yeltsin, president of the Russian Federation.

Mr President,

At this critical moment in modern Russia history, we, people's deputies of the Russian Federation and representatives of the National Salvation Front [NSF], are putting a propoal to you based on your constantly avowed commitment to the principles of democracy, pluralism of political views, openness, glasnost, and dialogue. Since we represent the opposition to your course and demand your resignation, since our actions have never gone beyond the framework of the law, and since, finally, we, as Russian people's deputies, express the interests of millions of voters, we consider ourselves fully entitled to expect your readiness for direct dialogue. Since virtually all the mass media financed by your democratic government have been persecuting the NSF, distorting and garbling the NSF's program documents and its leaders' comments and thus denigrating us in our voters' eyes, **we ask you to explain yourself democratically, publicly [glasno], openly, and honestly to the people**, a people to whom you made election promises.

In essence our proposal is this: That in the 20 days left until the Congress, a possibility should be found for a quite lengthy **live television meeting** (1-2 hours). We are convinced that entertainment shows will not suffer as a result of that and that your voters **need** it. We are ready to listen to your opinions and the claims, accusations, and positions of members of your government, and we are ready for open discussion, not one strained through the filter of the mass media.

We hope that you will have the courage to accept our proposal.

[signed] I. Konstantinov, N. Pavlov, Yu. Sidorenko, A. Surkov, V. Khayryuzov, and M. Chelnokov, People's Deputies of the Russian Federation

Reforms Coalition Criticizes Supreme Soviet

LD0711092192 Moscow ITAR-TASS in English 1703 GMT 6 Nov 92

[By ITAR-TASS correspondent Sergey Podyapolskiy]

[Text] Moscow November 6 TASS—The parliamentary Coalition for Reforms has accused the Supreme Soviet of an attempt to lead the country to a constitutional crisis.

At a news conference here today coalition representatives criticized the stand of the parliamentary majority and the Supreme Soviet leaders expressed today during the discussion of a draft law on the Russian Council of Ministers.

Parliamentarians' attempts to limit powers of the Russian president on government formation through the adoption of amendments to the law was described as the road "to parliamentary monarchism" by people's deputy Sergey Yushenkov. Coalition leaders said yesterday's closed meeting of the Supreme Soviet to discuss organizational issues of parliament work testified to the "flourishing of right-wing nihilism at the White House".

Deputy Executive Secretary of the Constitutional Commission Viktor Sheynis said the inclusion of the issue "on progress of work on the Russian Constitution" on the agenda of the upcoming people's deputies congress instead of the expected discussion of the fundamental law in the first reading may lead to the slowing down of the constitutional process.

Coalition leaders accused the Civil Union of excessive political ambitions, which, in their words, were manifested with the Civil Union's representatives demand at a recent meeting the Russian president to replace key figures in the Gaydar cabinet.

In the opinion of coalition representatives, the power of the Civil Union is exaggerated by mass media. The union is not a homogeneous organization and it does not have too much members, said Sheynis.

Voting 'Scandal' in Parliament on Government Law Draft

OW0711042692 Moscow INTERFAX in English 1911 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] A scandal occurred at a Supreme Soviet session this evening during the second round of debates on the draft law on the government. It started after Supreme Soviet member Sergey Nosovets had said the voting for two absent MPs had been done by their staff members. The President's representative, First Deputy Premier Vladimir Shumeyko asked Yuriy Voronin, who was chairing the session, to have this fact put on the minutes. Nikolay Ryabov, Chairman of the Council of the Republic, said Nosovets' information had been proved correct and proposed new voting on the amendments to the draft law discussed "during the last five minutes." Voronin, however, decided that the parliament should carry on with the debates, promising to "thoroughly investigate the incident." Commenting on the session in an interview with INTERFAX, Aleksandr Kotenkov, head of the State Legal Administration, said "nearly every article of the draft contradicts the Constitution." He said parliament is "ready to adjust the Constitution" to the law on the government.

According to Kotenkov, none of the decisions made at today's session can be valid since, contrary to what the electronic registration system showed, there was no quorum. His own counting showed 104. He claims some of the absent MPs were registered as present by their colleagues.

Regional Affairs

Tatarstan Adopts New Constitution

OW0611172292 Moscow INTERFAX in English 1633 GMT 6 Nov 92

[Text] The Supreme Council of Tatarstan on Friday adopted a new constitution for the republic by a vote of 174 out of 249 deputies.

In the first half of the day, the parliament confirmed a disputed article on relations with the Russian Federation penned by Tatarstan's representative president Mintimer Shaymiyev. The article reads: "The republic of Tatarstan is a sovereign state with international rights which is associated with the Russian Federation on the basis of a treaty of mutually delegated authority." The deputies also approved a controversial article on citizenship according to which Tatarstan will introduce its own citizenship while preserving Russian Federation citizenship. Citizens of Tatarstan may also be citizens of other states.

Defines Republic's Economic System

OW0711234992 Moscow INTERFAX in English 1352 GMT 7 Nov 92

[Following item transmitted via KYODO]

[Text] Tatarstan's Supreme Soviet has approved a legal definition of the republic's economic system. Chapter Two of the new Tatar constitution defines it as a social market economy and provides for freedom of economic activity, various forms of ownership, and their equal legal protection.

Both individuals and groups of individuals are allowed to own private property—land and anything else except mineral and other natural resources—which can be used in any area of business that is not illegal.

The constitution also allows foreign states, foreign legal entities, and international organizations to own property in Tatarstan.

Tatarstan's Communists Demand Yeltsin, Gaydar Dismissal

OW0811001992 Moscow INTERFAX in English 1630 GMT 7 Nov 92

[Following item transmitted via KYODO]

[Text] Tatarstan's communist organization today held a rally and procession in Kazan to mark the 75th anniversary of the October Revolution, in which some 500 people took part. The demonstrators carried slogans reading, "Yeltsin and Gaydar must go," "Send Gorbachev to Matrosskaya Tishina" (the prison where the organizers of last year's abortive coup d'etat are being kept in custody), "No to the bourgeois constitutions of the Russian Federation and the Republic of Tatarstan, Yes to a National Salvation Front government."

Caucasian Peoples' Leader Urges Russian Troop Withdrawal

OW1011011792 Moscow INTERFAX in English 1415 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] On Monday, President of the Confederation of the Caucasian Peoples Musa Shanibov told IF [INTERFAX] that the Russian troops must be withdrawn from the zone of the Ossetian-Ingush conflict. "Following the withdrawal, we shall solve the problem within a month through negotiations," he said and added that the confederation had vast experience in settling disputes between the Ingush and Ossetians.

He said that the Russian authorities should stop their interference in the affairs of the Caucasus, particularly in the affairs of the Ingush and Ossetians.

Musa Shanibov also said that Galina Starovoytova's recent removal from the post of the Russian president's adviser in ethnic relations means that President Yeltsin put the stake on force. The appointment of Khizha to the post of head of North Ossetia's provisional administration, he said, is a roll-back to the governor-general practice typical of the Russian empire and points to the Russian president's drift rightward. Russia will fail to solve the Caucasian problem by force," he said.

Chechen Republic Celebrates Anniversary of 'Independence'

OW0911234992 Moscow INTERFAX in English 1624 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] A celebratory assembly in honor of the first anniversary of the Chechen Republic's independence was held Monday in Groznyy. In addition to President Dzhokhar Dudayev, former President of Georgia Zviad Gamsakhurdia, and representatives of Tatarstan, Israel, and Jordan attended the assembly.

In his address Gamsakhurdia warned that in Chechnya "signs of the situation which developed last year in Georgia are observable," and urged those assembled to unite and support President Dudayev.

Deputy Chairman of the Tatar Milli Majlis Zaki Zainullin declared that Tatarstan plans "to achieve true independence by using almost the same means as the Chechen republic used."

Moscow Said One of Most Crime-Ridden Cities in Russia

PM0611141992 Moscow ROSSIYSKAYA GAZETA in Russian 6 Nov 92 First Edition p 1

[Item from roundup of correspondents, news agencies reports: "Moscow—Capital of Crime"]

[Text] Moscow has become one of the most crime-infested Russian cities. A further confirmation of this is the fact that officials of the Main Administration for Internal Affairs recorded 145 violations of the law 4 November.

One man was killed. The crimes included four incidents of grievous bodily harm, 12 robberies, 15 thefts of state property and 39 thefts of personal property, two incidents of swindling, and 43 car thefts. Sixty crimes were solved "in double-quick time." For comparison, exactly one year ago around 100 such crimes were recorded.

Buryatia To Allow Buying, Selling of Land

PM0611133192 Moscow IZVESTIYA in Russian 30 Oct 92 Morning Edition p 1

[AEN report: "Buryat Parliament Permits Buying and Selling of Land"]

[Text] From now on it will be possible to buy and sell land in Buryatia.

This decision has been adopted by the republic's Supreme Soviet under a special decree which will regulate land ownership rights. Incidentally, prior to the appearance of a special Russian and Buryat law, owners of plots of land allocated for private farming are entitled to sell them 10 years from the date of their acquisition. Owners of plots used for personal subsidiary farming can sell their land after five years.

International Affairs

Premier Says Western Attitude Threatens START Ratification

PM1011115592 Paris LE MONDE in French 7 Nov 92 p 4

[Report on interview with Prime Minister Kuchma by Roma Ihnatowicz in Kiev on 4 November: "Ukraine: An Interview With the New Prime Minister: Kuchma Warns West Over Ratification of START Treaty"]

[Text] Kiev—Leonid Kuchma, the new Ukrainian prime minister, is not a happy man. "The situation is even worse than the press said," the former director of the Yuzhmash missile plant confided to a small group of journalists on 4 November. As the heir to a "completely uncontrollable" situation of chaos and crisis (with inflation running at over 30 percent a month and preparations for strikes under way, especially in the Don mining region), Kuchma predicted "a wide-ranging social crisis unless we manage to stabilize the situation."

Kuchma emphasized the corruption gnawing at public life and the state economy. "It is all corrupt, from top to bottom." In a number of cases, the prime minister explained, it is difficult to establish that these activities are illegal but, he affirmed, whenever illegality can be proved the culprits will be brought to account.

Appointed less than one month ago, Leonid Kuchma has nevertheless settled the most pressing problem: The conflict with Russia over exchanges of commodities. Having agreed to provide Russia with the equivalent of 100 billion rubles' worth of goods, Ukraine has received supplies of oil, gas, and wood from Russia, thereby narrowly averting economic paralysis.

"They Want To Leave Us To Die..."

It is on the currency front that Kuchma is going to have to fight next. Criticizing the previous government, which did not take Ukraine out of the ruble zone on 1 October as initially planned, the prime minister explained that Ukraine had lost "tens of billions of rubles" as a result.

He himself decided to implement the process of replacing the ruble with the coupon, the interim unit of currency introduced last winter. He also plans to reduce the issue of credit (700 billion rubles in credit had been granted by the previous government) and to embark on privatization, beginning with small enterprises and finishing with the rest.

A perfect representative of large-scale industry, Kuchma does not balk at severe criticism of enterprise directors who promote "personal interests" instead of those of the Ukrainian economy. Kuchma is no less condemnatory of the West, which he accuses of talking instead of acting: "They want to leave us to die on our own." The West, he said, is pressuring Ukraine to prevent it from gaining access to the only markets where it could compete—space technology and weapons. Moreover, Ukraine is being asked to hand over its nuclear weapons to Russia "without getting anything in exchange"—neither guarantees of its security nor material aid. Russia, meanwhile, he claims, is receiving a $1 billion contract for the sale of nuclear fuel to the United States.

Kuchma warns that if these problems continue to be ignored the Ukrainian parliament's ratification of the START treaty (the strategic arms limitation treaty signed by Bush and Gorbachev) threatens to become a "fiasco" for him and for President Kravchuk (Footnote: The START treaty was ratified by the Russian parliament on 4 November). Deputies are already beginning to openly voice doubts about the benefits of this treaty for Ukraine, he explained. "What advantage is there in all this for us?" the new prime minister asked in a decidedly bitter tone: "They are not giving us aid, just advice. But Ukraine is not as stupid as all that. We do not need so much advice."

Kravchuk on PRC Visit, Lesson of Chinese Reforms

AU0611181592 Kiev Radio Ukraine World Service in Ukrainian 1420 GMT 6 Nov 92

[Interview with President Leonid Kravchuk by Vitaliy Naumenko at Boryspol Airport in Kiev on 5 November—recorded]

[Text] [Naumenko] I welcome you on your safe return to Ukrainian soil.

[Kravchuk] Thank you.

[Naumenko] You have made official visits to China and Mongolia. [Words indistinct] further relations with China have a strategic importance for Ukraine. Will these relations develop quickly? (?What are the main results) of your visit?

[Kravchuk] I am convinced of this. At all our meetings, the Chinese side kept stressing one idea—that this must be put into practice. They are ready to build joint enterprises and engage in trade and other exchanges in any spheres, and it is possible to do this in various forms. It is not essential today to have currency to engage in trade. They are ready, for example, to develop barter relations [word indistinct]. That is to say, I felt, and this is recorded in documents, in our conversations, and in our negotiations, that China is interested in relations with Ukraine. Ukraine is interested in relations with China.

[Naumenko] Part of the news conference in Beijing evoked great interest. In it, you spoke about your interest for the Chinese model of combining the administrative economy and the genuinely market economy. To what extent is, in your opinion, this experience suitable for Ukrainian national conditions?

[Kravchuk] Well, this is not quite administrative. I spoke about China's experience in adapting the state sector to market processes. This is because we have a state sector. Now, it accounts for (?more than) 90 percent. This is the undeniable truth. Regardless of whether we want this, it exists. How to adapt it or to fit it to the market—this is the most important matter. This can be done by force. It can be done by administrative or economic methods. China combines them. I saw this in in Shanghai and Shenzhen. They skillfully adapt the state sector to the market consecutively and systematically.

This does not mean that we must copy them, by no means. We must proceed under our own conditions. However, the fact remains that once there is such a sector, it is necessary to think of how to lead it to the market.

[Naumenko] Your so-called well-wishers at Ostankino television company spread many rumors about supposedly fruitful military cooperation between Ukraine and China.

[Kravchuk] I know about this. The point is that I did not and do not conceal the fact that we are open to scientific and technological cooperation with China, as well as with other states in the military sphere, cooperation based upon civilized principles that have been accepted by mankind. We have said and continue to say this. What they say in Ostankino.... [changes thought] They only emphasize one aspect; sometimes they add a little of their own angle to this. We already refuted several such statements. They have apologized, but I do not think that this is quite the end, not yet the evening. They will add, exaggerate, and interpret as they see fit. We must pursue our own path. As they say in the Orient: A little dog barks, but the caravan continues on its way. Well, whoever is barking can keep on barking. Let them not be offended. I do not mean to say that the Ostankino is this little dog. I simply cite this comparison to make it clear that we will not pay attention to any insinuations. We will (?follow) a road toward normal relations with China, Mongolia, and other states in all spheres. These are normal relations.

[Naumenko] So, in general, your impression of the visit to the two countries is positive?

[Kravchuk] It is positive.

Kravchuk Holds Talks With Mongolian Leaders; Signs Documents

LD0711101192 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1900 GMT 5 Nov 92

[Text] The official visit to Mongolia by the president of Ukraine lasted from 3 to 5 November. The proximity of the positions of both countries regarding many international problems and the desire to develop Ukrainian-Mongolian relations and cooperation in various spheres were emphasized during the meeting between Ukrainian President Leonid Kravchuk and Mongolian President Punsalmaagiyn Ochirbat.

A ceremonial concert in honor of the president of Ukraine was given in Ulaanbaatar, the capital of Mongolia; it presented not only Mongolian national music but also the Ukrainian hopak [folk dance].

A meeting with Natsagiyn Bagabandi, chairman of the Great People's Hural, took place today. It was noted that the strengthening of mutually advantageous contacts will take place, taking into account the realistic possiblities and the interest of Ukraine and Mongolia.

The Ukrainian president addressed a session of the Great People's Hural of Mongolia. Leonid Kravchuk evaluated the official visit to Mongolia as an important political event and briefed those present on the situation in Ukraine. Its present complexity is connected with the legacy of the communist system, which is well-known in Mongolia. But this should not delay the implementation of deep economic reforms.

Six documents discussed during the visit were also signed today. President Kravchuk and President Ochirbat signed a treaty on friendly relations and cooperation between Ukraine and Mongolia. Ukrainian Foreign Minister Anatoliy Zlenko signed an agreement on cooperation in science and technology, an agreement on culture and education, and a protocol on consultations between the foreign economic departments of the two countries. Ukrainian External Economic Relations Minister Ivan Herts signed an agreement on encouraging and protecting investments and a protocol on setting up an intergovernmental commission on trade and economic cooperation.

A news conference was held by Presidents Kravchuk and Ochirbat:

[Begin Kravchuk recording] A qualitatively new stage in relations and ties between Ukraine and Mongolia has begun. A legal base for those relations has been laid. This is the most important result of our visit. [end recording]

After the solemn farewell ceremony at Bayant-Uhaa Airport, President Leonid Kravchuk and other members of the official delegation left Ulaanbaatar and returned to Kiev today.

Text of Kravchuk Telegram to President-elect Clinton

AU0911144492 Kiev HOLOS UKRAYINY in Ukrainian 6 Nov 92 p 1

[Telegram to U.S. President-elect Bill Clinton from Leonid Kravchuk, president of Ukraine; place, date not given]

[Text] Much-esteemed Mr. Clinton,

While on an official visit in Mongolia, I was informed that you have been elected president of the United States of America.

Please accept the sincere congratulations of the Ukrainian people and me on the occasion of your victory in the election and our wishes of great success in fulfilling the mission of president of the United States entrusted to you.

I hope that relations between Ukraine and the United States, established on principles of trust, equality, mutual understanding, and partnership, will develop further for the benefit of our nations and in the name of peace, democracy, and progress.

Esteemed Mr. Clinton, please accept assurances of my high respect for you.

With best wishes

[Signed] Leonid Kravchuk, president of Ukraine

Kiev To Continue Broadcasting Russian Television Programs

OW0711021092 Moscow INTERFAX in English 1636 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] The President of the Ukrainian Television and Radio Company, Nikolay Okhmakevich, said in an interview with the Ukrainian radio that Ukraine is not going to stop transmitting on its territory the Ostankino TV Company's programs from Moscow.

However, he disapproved of the idea of having an interstate TV and radio company for the CIS since this would be a "suprastate structure." He thought Ukraine should sign a contract with the Ostankino Company or buy a license to transmit its programs on its territory.

At the end of last month, Okhmakevich said, local authorities in Donetsk and Odessa Regions, the Crimea, and other parts of the republic demanded in an ultimatum-like way that transmission of Ostankino programs be continued in Ukraine next year. Ukraine spends 1.5bn [billion] rubles a year on this, he said.

Kuchma Blames Financial Difficulties

LD0711000592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1500 GMT 6 Nov 92

[Report by Donetsk correspondent Konndaurov; from the "Novosti" newscast]

[Text] After the meeting of the CIS leaders in Bishkek, where the Ukrainian Government decided not to sign the agreement on setting up the international Ostankino television and radio company, many viewers became anxious that they might not be able to see Moscow television programs. Several oblast soviets of people's deputies and political parties have said that Ukraine should not suspend transmissions of the Ostankino programs. Judging from explanations by the heads of the national television, this is not a political question. The problem is all about financing Ukrainian television, as well as the Ostankino channel. In the present difficult economic situation it becomes especially acute.

[Begin Kuchma recording] My position on this question is positive. I understand that Ostankino and Ukraine should be working in the same information space. I was simply surprised to hear on television that Ukraine opposes this. Such a problem does not exist, for a number of reasons. I shall not talk here about the better quality of Ostankino programs. Part of Ukraine's population watches them regularly; this is not a big secret. I shall simply say that after all we all like to know what is going on in each other's country, what is going on in Russia, Belarus, Kazakhstan. They want to know what is going on in Ukraine, too. We simply cannot be fragmented so fast. Maybe this is happening today because of certain financial problems. We will solve them. [end recording]

Envoy Addresses CSCE on Protecting Ethnic Rights in Yugoslavia

LD0811173992 Kiev Ukrayinske Radio First Program Network in Ukrainian 0600 GMT 8 Nov 92

[Text] Ukraine representative Lapytskyy spoke at a sitting of the committee of senior CSCE officials meeting in Prague. Having expressed deep concern and anxiety in connection with the continuing armed conflict in Bosnia-Hercegovina, and having commended the efforts of the international community aimed at ending the bloodshed and achieving a peaceful settlement in former Yugoslavia, the speaker stressed that such a settlement would only be possible under conditions of strict compliance with the norms of the international law and fundamental CSCE principles, in particular, the principles on ensuring of the territorial integrity of states, the inviolability of borders, the settlement of disputes by peaceful political methods, and the guarantee of human rights and fundamental freedoms.

He pointed to the importance of observing the rights of national minorities on this issue. The Ukrainian representative condemned the practice of ethnic cleansing, in particular acts of violence against representatives of the Ukrainian minority in former Yugoslavia. He also demanded resolute measures desgined to end these criminal acts.

Deputy Premier Predicts Crisis in Russia To Continue

OW0711015192 Moscow INTERFAX in English 1636 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] Ukrainian First Deputy Premier Ihor Yukhnovskyy said at a press conference in Kiev yesterday that instability in Russia will continue for a long time, until Russia disintegrates into smaller parts.

He said the Ukrainian Government will, by the end of this or the middle of next month, finish work on its program for surmounting the crisis in the republic, the implementation of which, however, will take a long time.

Ukraine has enough coal, uranium, and agricultural by-products to provide itself with all the energy it needs, Yukhnovskyy said.

Security Service Signs Cooperation Agreement With Kazakhstan

LD0711144992 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1700 GMT 6 Nov 92

[Text] The Ukrainian Security Service is at work. An agreement on cooperation and interaction between the Kazakh Committee for National Security and the Ukrainian Security Service was signed in Kiev on 6 November. On the instructions of the presidents of Kazakhstan and Ukraine, it was signed by Lieutenant General Bulat Bayekenov, chairman of the Kazakh Committee for National Security, and Colonel General Yevhen Marchuk, chairman of the Ukrainian Security Service.

In accordance with the agreement, the sides pledge to cooperate in defending economic interests; fighting interregional and interstate corruption, smuggling, and organized crime as well as international terrorism, the narcotics business, and the illegal transfer of weapons; and preventing and suppressing crimes against the state, as envisaged by legislation in both states.

Minister Signs Economic Accord With Armenia

NC0611204792 Yerevan Armenia's Radio First Program Network in Armenian 1700 GMT 6 Nov 92

[Text] The Ukrainian deputy premier [name indistinct] and Armenian State Minister Vigen Chitechyan signed an important economic cooperation agreement today. A trade and economic cooperation agreement for 1993 was signed in Kiev today. The agreement specifically notes that the sides, moved by equality, mutual advantage, and interest, will do all it can to encourage the central and regional organs and businesses to develop and further the trade and economic relations by adhering to the legislative and [word indistinct] acts in force in both countries.

Envoy Objects to Increased Contributions to UN

LD0611105192 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1700 GMT 4 Nov

[Text] Information agencies have reported from New York today that Ukraine resolutely objects to an increase of its contribution to the UN budget. Ukraine is simply unable to make such payments, since, for example, all assets in freely convertible currency are frozen in Russian banks. This is one reason Ukraine is forced to take such a position. Another reason, the Ukrainian representative at the UN recalled, in connection with the redistribution of the former Soviet Union's debts, is the Russian president's statement that Russia would assume responsibility for all the Soviet Union's financial obligations once Russia took over the USSR's seat in the UN.

Local Official Closes Border With CSFR To Protect Market

AU0711183792 Bratislava NARODNA OBRODA in Slovak 4 Nov 92 p 13

[Report by Jozef Jurcisin: "Against Speculators, Not Against the Market"]

[Text] Vysne Nemecke, Uzhhorod— The closing of the only border crossing at the Czechoslovak-Ukrainian border at Vysne Nemecke for tourist trips on Sunday [1 November], decreed by Emil Landovskiy, chairman of the Uzhhorod Soviet, did not come as a big surprise to those who have crossed the border here in recent days or months.

The long waiting hours for customs and passport clearance at the Ukrainian side in poor hygienic and uncivilized conditions had to be stopped with this kind of administrative measure.

"Outrageous things that must not be tolerated have been happening in the area of the border crossing. No one will come here under such conditions. This is the only solution, as long as the Ukrainian and Slovak Governments do not resolve the issue of opening additional border crossings," Emil Landovskiy, the mayor of Uzhhorod, told us during our recent visit to that city. "The whole issue has yet another aspect. Our market is poorly supplied, and Slovak tourists deplete it even more with their purchases. On the black market they get 10 to 12 coupons for one koruna. We are in a bad position today and cannot afford such gutting of our shops by foreign visitors. This is a temporary measure. I concede that it is not a market measure, but it is directed against speculators."

Yet it is also true that goods that are in short supply in Ukraine are on sale at open air markets in Humenne, Bardejov, Svidnik, or Kosice where they are being offered for sale by Ukrainian citizens. Not even Emil Landovskiy knows whether closing the border will end this.

As we ascertained at the border yesterday, people working at the border crossing are not sitting on their hands. As a passport control official admitted to us, his duties have declined somewhat. The border crossing remains open for trucks and official and business travel. Our people clear everyone their Ukrainian colleagues let through. The decree by the chairman of the Uzhhorod Soviet is an internal affair of the Ukrainian side; our

citizens are "out of the game" in this respect. The closure of the border crossing affects mainly Ukrainian travel agents organizing bus trips. The fact that the situation at Vysne Nemecke is by no means unique is borne out by the fact that Emil Landovskiy issued a similar decree regarding the Ukrainian-Hungarian border crossing at Chop.

National Affairs

Deputy Premier Promises Close Cooperation With Supreme Soviet

AU0711142192 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 6 Nov 92

[Text] The new Government of Ukraine intends to cooperate closely with the present Supreme Soviet. This was stated by Ihor Yukhnovskyy, first deputy prime minister of Ukraine. He stressed that the government will not be able to do anything without the parliament's support. The cabinet will maintain contacts with corresponding commissions of the Supreme Soviet and will arrange for regular reports by ministers before these commissions. Regarding the future parliament, Ihor Yukhnovskyy emphasized, every organism has a certain reserve of creativity and, as soon as this reserve is used up, it must be replaced with another organism that brings in new ideas.

In the opinion of the first deputy prime minister, the Supreme Soviet that has done a great deal in its time, must, notwithstanding this, be replaced by a new parliament in the future, a parliament that will introduce fresh forces.

Many people are dissatisfied with the present composition of the Supreme Soviet. Here is the following information to confirm this thesis. Ukraine's Supreme Soviet is consistently oppressing trade unions and their rights in protecting the interests of the working people, as can be seen in many laws and changes introduced to the code of the laws on labor. This is pointed out in the statement adopted at a joint meeting by the member organizations of the Federation of Independent Trade Unions together with (?10) professional associations of Ukraine.

The trade union activists were particularly hurt by the fact that the Supreme Soviet had adopted articles of the law on the procedure for resolving disputes and conflicts in labor collectives. These articles envisage resorting to the lock out for mass dismissals of workers, and they virtually abolish the right to strike. The trade unions have also been deprived of the possibility to defend the demands on labor and socioeconomic issues.

The trade union associations, in making their statement, insist that this bill be removed from the Supreme Soviet agenda as one that limits the rights of the working people and trade unions and demand that it be radically amended.

It has been proposed that, by the beginning of the Supreme Soviet session, more specifically, by 16 November, the trade unions associations and primary organizations hold meetings for assessing the activity of the present parliament and Ukraine's people's deputies that were elected by it. It is also proposed that they discuss the possibility of other joint protest actions, including temporary suspension of work.

Yukhnovskyy Says Domestic Market Needs Protection

OW0711235192 Moscow INTERFAX in English 1352 GMT 7 Nov 92

[Following item transmitted via KYODO]

[Text] We should first provide enough goods for our domestic market, and then take care of our exports," Ukrainian First Deputy Premier Ihor Yukhnovskyy told reporters in Kiev. He said an end should be put to the situation where many of the Ukrainian goods which are cheaper than their equivalents in other CIS states are bought and taken out of Ukraine by visitors from those states.

Ukraine can protect its domestic market by changing its price and customs policies, Yukhnovskyy said.

Defense Minister Inspects Formations in Kryvyy Rih Rayon

AU0611145192 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 6 Nov 92

[Text] The Press Service of Ukraine's Ministry of Defense has reported that the working trip by Ukraine's Minister of Defense Colonel General Kostyantyn Morozov to formations and units of our state's Armed Forces is continuing. This is the first inspection of the results since the beginning of the building of our army.

Yesterday, the minister was present for practice shooting by members of the tank crews in the formation located in Kryvyy Rih, Dnipropetrovsk Oblast. During the practice shooting [words indistinct], the personnel of the armored platoon commanded by senior lieutenant Ihor (?Tatusenko) showed excellent results. Ukraine's minister of defense thanked the members of the tank crew for their achievements.

During his stay in Kryvyy Rih Rayon, Colonel General Kostyantyn Morozov inspected a cantonment built by the Austrian firm Maculan.

Holds Talks With Local Leaders

LD0711145192 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1700 GMT 6 Nov 92

[Text] Ukrainian Defense Minister Konstyantyn Morozov is on a working visit to Transcarpathia. During a conversation with the head of the oblast state administration and the chairman of the oblast council, the

uncompleted and temporarily closed radar station near Mukachevo which, in their opinion, should be handed over for the needs of the national economy, was discussed. The fate of the military airfield at Mukachevo was also discussed. For the moment the minister is working and continuing to consider it.

As you know, representatives of the Socialist Party and some people's deputies are collecting signatures demanding the dismissal of the defense minister. The Christian Democratic Party of Ukraine [CDPU] condemned this action today. The CDPU considers it dangerous to change horses in mid-stream. The Ukrainian Defense Ministry has already existed for a year, and in this time has created the main body of the armed forces, begun military reform, and is carrying out other work. And although the CDPU emphasizes that there are undoubtedly mistakes, nevertheless the same party considers that Konstyantyn Morozov must continue to lead the Armed Forces of Ukraine.

Fate of Aircraft Carrier Varyag Uncertain

PM1011095492 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1500 GMT 6 Nov 92

[Report by I. Petkov; from the "Novosti" newscast]

[Text] There have been many reports in the press on plans to scrap the unfinished heavy aircraft-carrying cruiser Varyag in Nikolayev in Ukraine, to exchange it for French submarines, or to sell it to anyone you like, but what is the real situation?

[Petkov, over video of water, ship hulls, view of Varyag] The Varyag still stands at the pier of the Black Sea Shipbuilding Plant, causing grief and confusion to its builders. So far no one wants to buy or barter for it. Ukraine does not need it. The Black Sea is too small for this giant, nor was the ship built for it. The Nikolayev shipbuilders hope that Ukraine and Russia will agree to complete the construction and dispose of the Varyag together, in order to avoid the fate of its sister ship, the aircraft carrier Ulyanovsk. In that case, they cut it up for scrap in hopes of earning seom foreign currency, but no purchaser has yet been found.

The production areas are filled with scrap. Keeping the Varyag at its berth in Nikolayev and guarding it alone cost the shipyard 1 million rubles a month. Conversion is making no headway. Several civilian fishing trawlers ready for delivery are not being picked up by customers because they can't pay for them. Because of the disruption of partnerships—and from Russia alone equipment from up to 1,500 enterprises used to be delivered to the plant—Black Sea shipbuilders already buy over 70 percent of subassemblies through exchanges and are being plunged into debt. Workers at the plant are worried; they have created an independent Solidarity trade union, something like the Polish union. They are appealing to the authorities, demanding that they rise above politics and restore relations with what are now foreign neighbors. [video shows various views of the Varyag]

Nova Ukrayina Supports Cooperation With Government on Economy

LD0811112492 Kiev Radio Ukraine World Service in Ukrainian 2300 GMT 7 Nov 92

[Text] Members of the Nova Ukrayina Association Coordination Council have expressed themselves in favor of certain cooperation with the Ukrainian Government with regard to preparing the economic reform. The Coordination Council sitting took place in Kiev on Saturday. Volodymyr Kilenko, chairman of the Association, said that the Coordination Council has postponed for a month the examination of holding a congress of this organization. The administrative body of Nova Ukrayina has expressed itself in favor of association members collecting signatures in support of a referendum on early elections to our republic's highest legislative body.

Socialist Rally Demands Abolition of Decree Banning CPSU

LD0811143292 Kiev Radio Ukraine World Service in Ukrainian 2300 GMT 7 Nov 92

[Text] Participants in the pro-Socialist rally that took place in Donetsk on 7 November spoke out against what they believe are the far-fetched borders of Ukraine. This rally, dedicated to the anniversary of the antistate coup in Russia, was held by the local organization of the Socialist Party of Ukraine. The resolution adopted by the rally, which gathered nearly 2,000 participants, appeals for support for a free Donbass and demands that the decree banning the Communist Party be abolished.

The Donetsk successors of the great Lenin's cause consider the Ukrainian proletariat to be detachments of the Russian proletariat. They also oppose the early election of a new Supreme Council of Ukraine. During this [word indistinct], the collection of signatures was being carried out in support of the goals of the Party of Civic Union, which was recently created. It supports, among other things, the introduction of two languages in the country, common citizenship with the CIS countries, and a single monetary unit on their territories.

Belarus

Prime Minister Reports Slow Emergence From Economic Slump

LD0911173492 Moscow ITAR-TASS in English 1652 GMT 9 Nov 92

[By ITAR-TASS correspondent Leonid Tratsevskiy—TASS]

[Text] Minsk November 9 TASS—Belarus is slowly but steadily moving out of the economic slump caused by the severance of ties with republics of the former Soviet Union, Belarusian Prime Minister Vyacheslav Kebich said on Monday.

Kebich said industrial decline reached 94.2 per cent in October in the republic, compared to 89.2 in September and 86.6 per cent in January-July 1992.

The prime minister believes domestic and international stability is the main condition for overcoming the current crisis in Belarus.

He said over 100 countries which have recognised Belarus as an independent state are ready to cooperate with it if they receive firm guarantees of political stability.

Kebich stressed that Belarus should preserve mutually advantageous and good-neighbourly relations with Russia, Ukraine and Kazakhstan and other sovereign states.

Kebich said prices will continue to grow in the republic because of soaring prices of fuel and energy, adding that the state will regulate prices of basic food and prime necessities.

Stresses Importance of Russia, CIS Ties

PM0611141392 Moscow IZVESTIYA in Russian 6 Nov 92 Morning Edition p 1

[Report by Mikhail Shimanskiy: "Kebich: 'It Is Destructive To Spoil Relations With Russia' "]

[Text] The Belarusian prime minister made this straightforward statement at the current parliamentary session while delivering a report on the situation in the republic economy and measures to stabilize it.

Kebich stressed that, without normal, friendly relations with our Eastern neighbor, it is impractical and impossible to construct an independent Belarusian state.

The Belarusian premier expounded his position in respect of the CIS too. We need each other, in fact it is more than that—we are vital to one another, he said.

When taking part in the Bishkek meeting we were indisputably guided primarily by republic interests. For this reason, upon realistically evaluating the situation, we deemed it possible to remain in the ruble zone so as not to place at risk not only our economy but also the possibility of maintaining people's living standards at a level acceptable in today's conditions.

Common sense and the actual state of affairs convince us that, without close cooperation, without mutual support if you like, then not only we but other CIS countries too will be unable to get out of the crisis we are in today.

Kebich's statements were received favorably in parliament. On this occasion nobody called for the government's resignation.

Official Highlights Kebich Policy Speech

OW1011013592 Moscow INTERFAX in English 1544 GMT 9 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] The Belarusian Government's Press Secretary, Vasiliy Dragoviets, in an exclusive interview with an INTERFAX correspondent, called Prime Minister Vyacheslav Kebich's speech before the Bobruiskdrev labor collective "extremely important and clear regarding numerous aspects of Belarusian policy."

IF [INTERFAX] Note: On 6 November, Belarusian Cabinet of Ministers Chairman Vyacheslav Kebich visited the city of Bobruisk, where he participated in the work of a seminar on the problems involved with privatizing state property. Kebich also visited the Glussky region of the Mogilevsky oblast of Belarus, where, over the last three months, two settlements were rebuilt; Seltsy and Kolyuga were completely burnt down this past summer as a result of a drought in the area.

Dragoviets pointed to what he said were three "special moments" in Kebich's speech which involved relations with Russia and Ukraine, as well as questions on price regulation in the republic.

"The Government of Belarus has never been against great Russia, and we have never raised the question of antipathy between Belarus and Russia. I am therefore convinced that henceforth the cornerstone of our foreign policy toward local states will be relations with Russia," Dragoviets quoted Kebich as having said.

"In recent days, a new dynamism has emerged in relations with Ukraine. We have exchanged three communiques with new Premier Leonid Kuchma, and agreed to meet as soon as possible to discuss a variety of important questions," said Kebich.

Touching on the problem of price regulation, according to Dragoviets, Kebich established the impossibility of stopping another round of cost-of-living increases through government directives, since according to many indicators, they are caused by the increase in the price of

energy deliveries from Russia. Kebich further specifically emphasized that the government he leads intends to follow a policy of state price regulation for basic foods and essential products.

Economic Adviser to Premier Says Ruble Zone Breaking Up

OW0711034592 Moscow INTERFAX in English 1741 GMT 6 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] "I made a bet with Russian colleagues that Russia will introduce its national currency earlier than Belarus," Anatoliy Dremov, the Belarusian Prime Minister's chief expert and head of the Belarusian Government's Economics Department, told INTERFAX. In his opinion, the CIS ruble zone is breaking up. The state which withdraws from this zone the last will be hit the worst, because its consumer market will be crushed by the torrent of released rubles, he said. In an attempt to protect itself from the inflow of cash from the countries withdrawing from the ruble zone, Russia is deliberately suspending payments to Belarus and other republics, he said.

Belarus also has to defend its consumer market from the inflow of rubles coming from the neighboring CIS states. "For this particular reason, the coordinating commission for parallel circulation of the ruble and of the Belarusian coupons resolved on Thursday that beginning November 10, food stuffs, tobacco and alcoholic drinks will be sold exclusively for coupons," said Dremov. He also added that from now on, Belarusian citizens will be able to exchange up to 5,000 rubles a month to coupons. The exchange rate is 1 coupon for 10 roubles.

Speaking about prospects for introducing a national currency in Belarus, Dremov said that in principle the situation was favorable for his state's withdrawal from the ruble zone. However, attempts to accelerate this process under the pressure of some momentary considerations may lead to dramatic social collisions, and cause the living standards to drop sharply. Referring to the statements made by Director of the International Monetary Fund Michael Camdessus, Dremov mentioned the agreement between the International Monetary Fund and Russia on the preservation of the single ruble zone as the most efficient way of putting the CIS states on a market footing. To quote Camdessus, Russia should not back the CIS states' efforts to get out of the ruble zone. Instead, it should commit itself to pursue a policy of a single economic zone without customs barriers and regional taxes, and stick to a unified form of settling accounts, said Dremov.

Referring to Camdessus once again, he said that the IMF has changed its policy regarding the single rouble zone. This organization, he said, will no longer create obstacles for the states willing to introduce their national currencies. Camdessus said that since Russia does not fulfil the commitments it once assumed, the IMF cannot forbid CIS states to tackle their financial problems on their own," said Dremov. [quotation mark as received]

Russian Delegation Discusses Developing Relations

PM0911160592 Moscow ROSSIYSKAYA GAZETA in Russian 6 Nov 92 First Edition p 7

[Report by Nikolay Postovoy under the "Contacts" rubric: "Slavs at 'Roundtable' "]

[Text] A Russian delegation headed by Vladimir Podoprigora, chairman of the Russian Federation Supreme Soviet Committee for Questions of International Relations, Interregional Policy, and Cooperation, worked in Minsk during October.

Vital questions of relations between the two states were discussed.

Belarus is currently experiencing a crisis situation. Not having its own oil, coal, cast iron, or many other types of raw material, it satisfies its needs for these products totally through imports from other states. Its main supplier is Russia.

Oil price rises have laid an especially heavy burden on the shoulders of the Belarusian people. A tonne of oil now costs $129. But where is this money to be had?

It was against the background of this situation that various viewpoints on Belarus' possible course in international relations were examined. Belarusians themselves believe that their republic could play the part of a "contact" state, a bridge between Russia and Europe. Yet there are others who would prefer to see it in the role of a neutral state like Switzerland. But the majority of participants in this meeting concurred that, even given that the states are sovereign, a process of integration should be developed in the sphere of the economy, trade, science, and law within the CIS framework. This approach is important not only at the initial stage, but also in the long term. In order to align the legislation of Russia and Belarus, and also to coordinate operations, it was proposed that interparliamentary groups should be set up to coordinate fundamental positions on tax, pricing, and credit policy.

Moldova

Snegur, Chinese Leaders Discuss Bilateral Cooperation

AU0711144092 Bucharest ROMPRES in English 0945 GMT 7 Nov 92

[Text] Bucharest, ROMPRES, 7/11/1992—The programme of the official visit to China by a delegation of the Republic of Moldova opened with talks between

President Mircea Snegur and President Yang Shangkun. The main points of reference were the potential of collaboration in various fields of mutual interest. As for the international relations, it was outlined that the two countries are giving much consideration to close collaboration. China appreciates that Moldova, in its strategic geographical position on the West of the ex-Soviet state, shows extensive possibilities for the mediation of various relations between the states.

The Moldovan side expressed its availability to closely cooperate with china in fields like science and technology.

During the meeting between President Mircea Snegur and the Chinese Premier Li Peng, the principles of inter-state collaboration were approached, which, as it was outlined, are and ought to be those unanimously recognized. Li Peng showed that, although his country is confronted with many difficulties and cannot afford to grant substantial assistance to other countries, as a sign of friendship, China is ready to grant Moldova a credit of 30 million yuans for purchase of foodstuffs.

Referring to the situation in Moldova, Mircea Snegur mentioned that it could be solved much sooner if the 14th Russian Army withdrew from the territory of the Republic of Moldova, reads a broadcast of MOLDOVA PRES.

Leaders Seek Smoothest Path to Market Reform

OW1011020092 Moscow INTERFAX in English 1545 GMT 9 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] In his exclusive interview with an INTERFAX correspondent Pantelei Tyltu, the adviser of the prime minister, declared that the republic's leadership considered that its main task was to ensure a smooth, the least painful process of transfer to the market economy which would not lead to "a catastrophic impoverishment of the population."

The expert pointed out that the existing critical situation necessitates urgent and grounded decisions on formation of market mechanisms. Tyltu said that at this stage of the reforms priority should be given to the following tasks:

—Creation of a legal ground for economic transformations;

—Suspension of the economic recession and ensuring premises for the industrial advance in the agroindustrial and construction complexes;

—Lowering of the inflation tempo and stabilization of the financial-budget systems;

—Implementation of the ownership's reform on the basis of denationalization and privatization in accordance with the main provisions of the state program of privatization.

The government, Tyltu says, will create all necessary conditions for the development of business undertakings and for the formation of a competitive ground by means of dividing unions, associations, enterprises, and by means of advanced development of non-state sector of economy. Structural re-organization of the economy foreseeing priority of energy saving, ecologically pure, and advanced for export branches is to be implemented. [sentence as received]

To successfully fulfil the cabinet's plans, Tyltu believes, it is necessary to reduce the dependence of economy on monopolists- suppliers of fuel and energy, raw, and material-technical resources at the expense of the inter-republican and inter-state cooperation and savings of the resources.

Tyltu also believes that the role of the state in the republic's economic development will change while realizing the anti-crisis measures—from direct administering of the subjects of national economy to normative regulating in the frame of which enterprises, organizations, private persons would be granted complete independence, and besides a mechanism of self-regulation of economy would be established. The state will strengthen the regulating influence in the sphere of the protection of the economic rights of the citizens, support of the socially vulnerable or disabled members of the society, the adviser emphasized.

Almost 4,000 Flee Unrest in Dniester; Foreign Aid Bolsters Support

AU0711144292 Bucharest ROMPRES in English 1054 GMT 7 Nov 92

[Text] Bucharest, ROMPRES, 7/11/1992—The total number of those who left their homes on the left bank of the Dniester reached 3,824 people of which 2,336 are employable, says MOLDOVA PRES quoting Mihai Platon.

If during the armed conflict in the East districts of the Republic of Moldova the majority of the refugees was made up of women and children, in present the situation became the opposite, that is the majority is now made up of 1,177 (50.4 per cent) men, including those who fought or volunteered, and policemen which are being persecuted by the separatist force in Transdniester.

The whole number of 1,494 children refugees are listed as attending pre-school and school education. A main part of the refugees, that is 2,805, cannot return to the native lands because they are on constant surveillance and included on the black lists of the separatist forces in Transdniester, 232 became homeless while other 551 holding various other reasons are to be analyzed by a special commission.

The refugees who lost their places of work are granted allowances going up to a minimal salary, while others are receiving special daily allowances of 50 rubles for the old and 30 rubles for the children. The refugees are materially supported also mainly with food, clothes, medicines coming from Romania, the United States and Hungary.

Kazakhstan

Nazarbayev Releases First Vice Premier To Work for Yeltsin

OW0911161892 Moscow INTERFAX in English 1545 GMT 9 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] In accordance with President Nursultan Nazarbayev's decree, Oleg Soskovets has been released from his duties of the first prime minister and Kazakhstan's Industry Minister "because of his transfer to another job." The Cabinet of Ministers told Interfax that Soskovets accepted Boris Yeltsin's invitation to head one of the branch industries in the Russian government. In some days Soskovets will fly to Moscow.

IF [INTERFAX] Note: For several years Soskovets occupied the post of the director of the Karaganda metallurgical complex, then the USSR Ferrous Metallurgy Minister; following the creation of the CIS he took the office of the first deputy prime minister of Kazakhstan. He is also the chairman of the republic's union of manufacturers and businessmen. He maintains close contacts with Arkadiy Volskiy, the leader of the Russian union of the manufacturers and businessmen.

According to the opinion of the Alma-Ata supervisors, Yeltsin invited Soskovets to the Russian Cabinet with the consent of Nazarbayev. It is supposed that the former Vice Premier's transfer to Moscow, who had taken as active part in the development of the package of economic agreements with the Russian Federation, will assist in coordinated realization of the economic transformations in Russia and Kazakhstan and in strengthening of the bilateral cooperation.

National Security Chief Meets With Russian Counterpart

LD0711063392 Alma-Ata KAZTAG in Russian 0724 GMT 6 Nov 92

[Text] In the interests of effective interaction, as was reported by the public communications office of the Committee for National Security [CNS] of Kazakhstan, a CNS delegation headed by Chairman Bulat Bayekenov was in Moscow on 3-5 November. During the meetings, which were held with Yevgeniy Primakov, director of the Foreign Intelligence Service of the Russian Federation, they examined and specified ways of further increasing the effectiveness of interaction between the intelligence services of Kazakhstan and Russia, in accordance with the agreement on cooperation on intelligence signed in Alma-Ata in April.

The negotiations were held in a constructive and amicable atmosphere, which is typical of relations between these two departments.

NATO's Woerner Meets Leaders; Comments on Talks

PM1011094792 Moscow ROSSIYSKAYA GAZETA in Russian 7 Nov 92 First Edition p 7

[Report by Sergey Skorokhodov: "Kazakhstan Intends To Act Within NATO, Not To Join the Alliance"]

[Text] Alma-Ata—We are interested in stability and in ending the conflicts in this region, Manfred Woerner, secretary general of the North Atlantic alliance, declared at a news conference devoted to the results of his meeting with the president of Kazakhstan.

The word "stability" was the key word during the talks, which lasted two days. Participating in them in addition to the president were S. Abdildin, speaker of the republic's parliament; Prime Minister S. Tereshchenko; and Acting Defense Minister A. Ryabtsev.

NATO regards Kazakhstan as an inalienable part of the Asiatic region, in which it is necessary to create an all-embracing security system. Woerner particularly emphasized the importance of strengthening Kazakhstan's relations with Russia. "As you know," he said, "we have set up the great North Atlantic Cooperation Council, and Russia is a member of this council. NATO will never interfere in the internal affairs of the partner countries. But it is interested in the continuation of the policy of reforms aimed at democratization and the consolidation of human rights."

Speaking of the specific results of the talks, Woerner reported on the accords reached on activating exchanges in the sphere of science and the conversion of defense enterprises.

On receiving confirmation that Kazakhstan intends to pursue a sensible policy in the sphere of nuclear arms and even intends to sign the treaty on strategic arms, the bloc's secretary general declared that he was leaving Kazakhstan in a calm frame of mind, and the North Atlantic alliance was ready to give assistance in restoring its independent armed forces, drawing up a military doctrine, and training officer cadres. If Kazakhstan shows an interest in this, of course.

We are not talking of Kazakhstan's membership of NATO, Woerner emphasized.

Kyrgyzstan

Akayev Pessimistic About Prospects for Economic Reform

OW0711035192 Moscow INTERFAX in English 1742 GMT 6 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] "The economic situation gives us no grounds to be optimistic in the coming year", President Askar Akayev said Thursday evening in a meeting with the board of directors from major manufacturing firms.

The Kyrgyz leader said the nation should expect "very unfavorable conditions" in 1993 for the economic reform process. Akayev touched on a number of key points in next year's economic strategy and stressed that the "nation's survival" depends on their execution. The president places most hopes on "decisive action by the directors".

Akayev pointed to a deterioration in manufacturing. During the first six months of this year production was off 18%, and for the first nine months down 27%; 20 bn [billion] rubles less product was produced this year. Akayev is especially concerned over the drop in production in the fuel complex. Coal production was down 36% from last year. The crisis in the fuel and energy complex also worries the president; Akayev said the situation is not likely to change before the year 2000. Kyrgyzstan's main fuel supplier, Russia, will halve oil product exports to the republic in 1993 due to a drop in oil production in Russia. Akayev believes Kyrgyzstan must "gradually reform industries" which "consume large amounts of fuel". In 1991 the share of oil product imports to Kyrgyzstan was 1/10, in 1992 ½ and in the first quarter of 1993, due to higher prices for Russian fuel, will be 80%.

Akayev said these figures show that the republic must introduce energy conserving equipment. The president said that the republic's main priority over the next few years should be developing the hydroelectric energy industry. The president also said Kyrgyzstan must extract up to 3 mn [million] tons of coal a year. Foreign credits will be directed to the coal industry and to the construction of oil refineries.

"At any moment we could find ourselves cut off from the rest of the world due to instability in neighboring republics, leaving Krygyzstan shipping to a dead end", the president said. Akayev said this could be prevented by making the republic more self-sufficient.

Akayev cautioned the managers of the manufacturing firms, especially defense firms, not to count on future orders for military product from Russia. "Russia has warned us it is closing out these orders", the president said, calling on the "generals of production" to orient themselves on conversion "using their own resources".

In 1993 the government will "follow a strict financial policy", Akayev said. The nation will be forced to cut certain production next year due to decreases in credits issued by Russia.

The president said the nation must find "the best combination of the command-administration method of economic management and market structures" to at least maintain the status quo in industry.

"We must eliminate all thoughts that the managers of firms will cut jobs. These jobs must be preserved at any cost to avoid social conflicts", Akayev said.

Kulov Arrives in Lebanon in Quest for Foreign Investors

LD0911215992 Moscow ITAR-TASS in English 2131 GMT 9 Nov 92

[By ITAR-TASS correspondent Dmitriy Zelenin]

[Text] Beirut November 10 TASS—Vice President of Kyrgyzstan Feliks Kulov arrived on a working visit to Lebanon on Monday to look for foreign investors with the help of Lebanese mediation and ensure political and economic contacts with Lebanon and the Arab world.

"Our republic is rich in mineral resources, but the processing industries are weak", Kulov told TASS upon arrival, adding Kyrgyzstan needs major foreign investments to develop the industries.

"With the help of Lebanese mediators we found sponsors who are ready to invest in Kyrgyzstan", he added.

Relations between Lebanon and Kyrgyzstan began to actively develop three months ago. Representatives of the Central Asian Republic were the first among CIS states to visit that country.

Government Establishes State Secrets Directorate

LD0711145092 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 0000 GMT 7 Nov 92

[Text] In order to prevent the leaking of state secrets through the press and other mass media and in accordance with the Republic of Kyrgyzstan's Law on the Mass Media, the Government of the Republic of Kyrgyzstan has set up a Directorate for the Protection of State Secrets in the Press and Other Mass Media within the Ministry of Justice. The Ministry of Justice has been instructed to formulate and approve a statute on this directorate jointly with the Ministry of Economics and Finance, and to determine the salary fund and the maximum staffing levels.

Liberals, Radicals Split Opposition Party at Congress

OW0711235092 Moscow INTERFAX in English 1352 GMT 7 Nov 92

[Following item transmitted via KYODO]

[Text] A split occurred today at a congress of Kyrgyzstan's most influential opposition party, Erkin Kyrgyzstan. Party chairman Amurbek Tekebayev said he would no longer tolerate the disagreements between the liberal wing led by himself and the radical wing led by Topchubek Turgunaliyev.

Tekebayev said he was leaving the party and went out of the room, joined by about one third of the 200 delegates.

Kamilya Kenenbayeva, the party's ex-deputy chairperson, told INTERFAX the split had taken place a long time ago, so part of the delegates left the congress in order "not to increase tension." A new party will be formed, based on liberal democratic principles, she said.

Dissidents Form New Party

OW0811132392 Moscow INTERFAX in English 1303 GMT 08 Nov 92

[Following item transmitted via KYODO]

[Text] A new political party of liberal and centrist orientation has been formed in Kyrgyzstan. On Saturday its founding conference adopted a declaration, stating that "Alta-Mekel" (Fatherland) stands for an evolutionary development of society, and that it sees its task in serving as a link between civic society and the state. The party favours a reasonable compromise between the various social sections and constructive cooperation with government structures.

The Alta-Mekel party formed as a result of a split that occurred on Saturday within the "Erkin Kyrgyzstan" democratic party at its third congress.

Russia Agrees To Underwrite Cost of Guarding Border

LD0811214892 Moscow Radio Rossii Network in Russian 1800 GMT 8 Nov 92

[Text] Under an inter-governmental agreement, Russia has undertaken to pay 80 percent of the cost of guarding the state border between Kyrgyzstan and China. This has made it possible to stem the exodus of Russian officers from border units.

10% of Kyrgyz Servicemen Deserting Unified Army

PM0611111392 Moscow KRASNAYA ZVEZDA in Russian 5 Nov 92 p 1

["One in 10 Kyrgyz Citizens Performing Basic Service Outside Republic Is a Deserter"—headline]

[Text] One in 10 of the 17,000 Kyrgyz serving outside the republic is deserting the army. This announcement was made by Colonel Tastanbek Moldobayev, chief of the Organization and Mobilization Directorate. We do not know where to send the 3,000 youths eligible for the draft today, he noted. Few of them are disposed to serve.

Peasants Congress Discusses Need for State Support

LD0711141792 Moscow Mayak Radio Network in Russian 1630 GMT 6 Nov 92

[Excerpt] The Congress of Free Peasants opened in Bishkek today. Our correspondent in Kyrgyzstan, Aleksandr Mirtov, reports:

[Mirtov] A land code has already been adopted in the republic. President Akayev has issued decrees on the privatization of collectives and state farms that lose money. However, land reform is still proceeding extremely slowly in Kyrgyzstan. The policy of encouraging rural entrepreneurship and of developing peasant smallholdings and farms is not yet producing tangible results. In fact, the republic's peasant movement is itself split in two. The first camp is led by the Ministry of Agriculture and the second by the independent Union of Peasant Smallholdings and Farms, which is unwilling to accept pressure from state organizations. Incidentally, this association also held a conference in Bishkek today.

Well, time will tell whose position turns out to be the right one. One thing is beyond doubt though—peasant smallholdings in Kyrgyzstan will not survive without support from the state. The form this support should take was discussed today at the Congress of Free Peasants, which was also attended by President Askar Akayev. It is the responsibility of the Peasants' Bank and the agricultural exchanges which have been set up in Kyrgyzstan, to help peasant farmers and smallholders find their feet. Even so both smallholders and peasant farmers, of whom there are now over 10,000 in the republic, are still badly in need of equipment, seeds, fertilizer, and fuel. [passage omitted]

Tajikistan

Talks Settle on Respecting Supreme Soviet's Decisions

OW0911163492 Moscow INTERFAX in English 1547 GMT 9 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] Vice-Chairman of the Tajik Parliament Akhmadzhon Sayidov has told Interfax that the main result of Sunday's talks in Dushanbe on resolving the conflict in Tajikistan was an agreement reached by both sides to

regard decisions of the future session of the republic's parliament "as legally binding".

Taking part in the negotiations were personal envoys of the Presidents of Kazakhstan, Uzbekistan, and Russia, Kyrgyzstan's vice-president Feliks Kulov, Kulyab popular movement leaders, representatives of the Kulyab and Kurgan- Tyubin administrations, and regional legislators.

Sayidov made it clear that "the republican leadership would do all it could to hold the session not later than November 20". He did not rule out the possibility that final date would be decided within the next two days. Sayidov cited three possible venues for the session: Khudzhent (a regional centre of Tajikistan), Tashkent (Uzbekistan) and Bishkek (Kyrgyzstan).

IF [INTERFAX] Note: Acting President Akbarsho Iskandarov on Friday criticised Russian Foreign Minister Andrey Kozyrev's idea to hold the session of the Supreme Council in Bishkek. He said that a venue in Tajikistan could be found and that there was no need to travel to Bishkek. Kozyrev's fears for the safety of Deputies and representatives from all regions and parties of Tajikistan had prompted his suggestion.

Sayidov declared that the idea to form a state council in the republic had not received the backing either of the Kurgan-Tyube or the Kulyab leadership. However, he said that a new collegiate body could be edorsed only if approved by Parliament.

Parliament's vice-speaker confirmed that the heads of state who had attended the meeting on resolving the conflict in Tajikistan held in Alma-Ata last week would be invited by the Tajik leadership to the forthcoming session.

Sayidov said that Russia's 201st motorized division would be available to provide security for the session.

IF Note: An agreement for the division's commander, General Mukhriddin Ashurov to become a member of the republic's state council has been reached.

Briefed on Links With Afghans

OW0911154292 Moscow INTERFAX in English 1415 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] According to well-informed sources, the talks on the settlement of the conflict in Tajikistan, held in Dushanbe November 8, dealt with the case of Chairman of the Kurgan-Tyube regional executive council Kadriddin Aslonov who had been arrested by Kulyab armed formations two weeks ago.

The representatives of the Kazakh, Uzbek and Russian presidents, and Vice-President of Kyrgyzstan Feliks Kulov were told that during the arrest compromising documents were found in Aslonov's briefcase. The Kulyab party claims that Aslonov had maintained contacts with the Islamic Party of Afghanistan, led by Golboddin Hekmatyar. Among the documents were plans for the elimination of the leaders and supporters of the Kulyab opposition. The presidents' representatives were not given an opportunity to meet with Aslonov personally.

According to the same sources, during the talks, the Kulyab party announced its readiness to guarantee life to Aslonov on the condition that his case be openly investigated and Aslonov himself be tried. During the trial all documents confirming Aslonov's contacts with the Islamic Party of Afghanistan will be demonstrated.

Meanwhile, a high-ranking official who took part in the talks in Dushanbe informed IF [INTERFAX] that Afghan mercenaries were fighting on the side of one of the conflicting groupings.

Official Advises MPs To Attend 16 Nov Session

OW1011011692 Moscow INTERFAX in English 1415 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] Well-informed sources in Dushanbe told INTERFAX the Presidium of the Tajik Supreme Soviet has had a session today at which it scheduled the next Supreme Soviet session for November 16. It will be held in Khudzhent, a town north of Dushanbe. The session will deal with the situation in Tajikistan, the legitimacy of the republic's present authorities, and the legitimacy of President Rakhman Nabiyev's dismissal last September. It will also decide what bodies should govern the republic at this moment.

Deputy Chairman of the Supreme Soviet Akhmadzhon Sayidov told our correspondent the session will be held "under any circumstances." Asked whether there will be a quorum at it, Sayidov said MPs should come to the session since the latter will be of vital importance for the republic. "MPs who have at least a trace of conscience since they have been elected by the people, and who wish to help the Tajik people survive and overcome the fratricidal war must come to the session," he said.

The names of the MPs who fail to attend the session will be published, Sayidov said.

Acting Deputy Chairman of Supreme Soviet Resigns

LD1011053992 Dushanbe Radio Dushanbe Network in Tajik 1700 GMT 9 Nov 92

[Text] Saifiddin Turayev, acting deputy chairman of the Tajik Supreme Soviet, has asked the Presidium of the Supreme Soviet of the Republic of Tajikistan to relieve him of the deputy chairman's duties. Saifiddin Turayev is in Urateppa.

Attempt To Organize Government-Opposition Talks Fails

OW1011120592 Moscow INTERFAX in English 1135 GMT 10 Nov 9

[Following item transmitted via KYODO]

[Text] In Tajikistan an attempt has failed to organize in Gissar valley negotiations between the Dushanbe government and local supporters of the opposition Kulyab popular movement. The opposition refused to hold talks with the acting president Akbarsho Iskandarov and the acting prime-minister Abdumalik Abdulladzhanov. A member of the Tajik State Council, the commander of the 201st Russian division, Major-General Mukhriddin Ashurov tried to organize such a meeting.

Representatives of armed groups from Gissar demanded the resignation of the current authorities led by Mr. Iskandarov and said that they will not recognize the new government body - the State Council - until its powers are approved by the parliament.

The armed opposition attempted to capture Dushanbe from Gissar valley three weeks ago.

The opposition in Gissar valley has issued an appeal to all conflicting groups, the government and parliament, saying that the current government was not legally elected. The appeal demands the immediate disarmament of uncontrolled armed groups operating in the capital Dushanbe and its environs. It also calls for new parliamentary elections and a ban on all political parties and movements, primarily the Muslim Revival Party, the Democratic Party and the Rastohez movement. It expresses the opinion that the parliament should be convened to discuss the legality of President Nabiev's resignation last September. The population of Gissar regards Nabiev as the legitimate president.

Explosions Destroy Section of Railroad; Track to Capital Blocked

PM0911124192 Moscow ROSSIYSKAYA GAZETA in Russian 6 Nov 92 First Edition p 7

[Unattributed report: "Meanwhile..."]

[Text] The movement of railroad transport to the Tajik capital has been entirely blocked. On 4 November two powerful explosions destroyed the track on the section between Ayni and Khonako in Gissarskiy Rayon.

The KHOVAR television news agency was told that, in the Dushanbe section of the Central Asian Railroad, the engineer of train No. 88, traveling from Khudzhent to Dushanbe, noticed en route a group of people who were digging up the permanent way under the rails.

A large pit was formed by the first explosion at the 4669th km section of the track. Since the shock wave was directed downward, the rails were not damaged in this section.

The track was destroyed by a more powerful explosion at the 4665th km. A small piece of rail about 2 meters long was torn up and thrown to one side.

Russian Servicemen Helping Kurgan-Tyube Refugees Return Home

OW1011144292 Moscow INTERFAX in English 1421 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] Russia's 201st motorized infantry division, located in Tajikistan, has assumed the responsibility for the return of refugees from Dushanbe to their homes in the Kurgan-Tyube region.

The division's headquarters informed Interfax that the refugees and their belongings are being taken on trucks from the Dushanbe garrison to the south of the republic. Chief of the Russian division's staff Aleksandr Bugrov said that about a thousand refugees had been moved to Kurgan-Tyube and the neighboring regions.

According to the same source, the situation in Kurgan-Tyube and its suburbs is returning to normal. Industrial enterprises and child-care centers are resuming work, and water and gas is supplied to the local homes again. There are plans to restart heat supplies.

The headquarter also report that 97% of the territory is controlled by the armed formations under the command of Sangak Safarov, the leader of the Kulyab popular movement. Small-scale combat operations have only been registered in individual areas.

Government Measures Fail To Prevent Spread of Fighting

LD1011122392 Moscow ITAR-TASS in English 1140 GMT 10 Nov 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe November 10 TASS—In spite of the efforts exerted by the Tajik authorities to stabilise the socio-political situation in the republic, the war is spreading to ever new districts of the republic, increasing the number of casualties and ravaging the already bled-white national economy.

ITAR-TASS has learned from military sources today that fighting between supporters and opponents of the national reconciliation government is continuing for several days running in the Kabodien and Pyandzh districts of Kurgan-Tyube region, as well as in the suburban Gissar and Regar districts. Both sides are resorting to armour, modern types of firearms, upto and including "stingers". Numerous refugees, arriving from Kabodien and Kumsangir, testify that anti-government groupings even have helicopters at their disposal. They are resorting to various means, including the capture of hostages and subversive acts. In Gissar district, for instance, unidentified gangs have again damaged a

stretch of the railroad linking Dushanbe with Tajikistan's northern districts and the neighbouring republics. This has fully paralysed both passenger and cargo traffic. According to Tajik television, one gang has opened fire upon an orphanage in Kuybyshev district. The building is blocked off and the children are left practically without any food.

The situation is relatively calm in Kulyab and Kurgan-Tyube. However, according to a statement made by Vice-Chairman of the Tajik Supreme Soviet Akhmadzhon Sayidov, the food situation is critical. Bread rations had to be cut for the third time. Today, 30 grammes of bread are issued to every citizen. There are no dairy products, while flour and cereal stocks have run out. The Tajik capital is also suffering from food shortage. True, there is no food rationing there, but the counters of food stores are practically empty. People queue up for bread from 4 a.m.

Dushanbe is turning into a city of pedestrians. Fifty per cent of the public transport facilities have been brought to a standstill due to fuel shortage and lack of spare parts. The buses and trolleybuses that still appear in the streets return to their parks before sunset. The drivers are anxious about their safety. The streets are still unsafe in the evening, though soldiers from the 201st Russian Motorised Infantry Division, deployed here, now patrols the city. The Interior Ministry communiques are still alarming: There are frequent armed robberies, assaults, thefts of transport facilities and terrorist acts against the civilian population, up to and including assassinations.

Both the Tajik leadership and the population pin their last hopes on the 16th emergency session of the Tajik Supreme Soviet, which is expected to meet at Khudzhent on November 16 to finally draw up legal documents, putting an end to the dragged out fratricidal conflict and lawlessness.

A corresponding decision of the presidium of the Tajik Supreme Soviet, signed by Acting President Akbarsho Iskandarov, was released here today. In keeping with this decision, a meeting of people's representatives (majles) will also be held at Khudzhent. It will be attended by people's deputies and representatives from all the political parties, communities, and religious leaders.

IZVESTIYA on Results of Nazarbayev Visit to Turkey, Iran

PM0911125192 Moscow IZVESTIYA in Russian 6 Nov 92 Morning Edition p 4

[Report by Vladimir Ardayev: "Kazakh President's Visit to Turkey and Iran"]

[Text] Tehran-Alma-Ata—Nursultan Nazarbayev returned to Alma-Ata from a week-long visit to Turkey and Iran.

It has already been reported that the main event in Ankara was the Conference of Heads of State and Government of Turkic-Speaking Countries. Its participants—the presidents of Azerbaijan, Kazakhstan, Kyrgyzstan, Turkmenistan, Turkey, and Uzbekistan—jointly marked the 69th anniversary of the Republic of Turkey's proclamation and opened two embassies in its capital—those of Kazakhstan and Turkmenistan—after which, as a result of the two days' work, they signed the Ankara Declaration in which they stated that they are "striving to develop bilateral and multilateral cooperation."

After Turkey, N. Nazarbayev made an official visit to the Islamic Republic of Iran. The Kazakh president met with Islamic Republic of Iran leaders Khamene'i and President 'A. Hashemi-Rafsanjani, and a whole series of important documents were signed including a Declaration on Mutual Understanding and Cooperation, an intergovernmental Agreement on Trade and Economic Cooperation, and protocols on forming a joint intergovernmental commission on economic, industrial, scientific, and technical cooperation in the sphere of oil extraction and processing as well as in transport.

The last document is already being implemented in practice—the Kazakh port of Aktau on the Caspian Sea will in the near future begin to receive Iranian ships including passenger ships and, along Iran's border with Turkmenistan, a section of the Serakhs-Mashhad railroad in under construction, which, when it is commissioned, will provide a new transcontinental main line from Beijing to Istanbul.

The Kazakh president visited the island of Keshm in the Persian Gulf, which has been declared a free economic zone, Iran's ancient cultural capital Esfahan, as well as the city of Mashhad where he touched the tomb of Imam Reza, which was literally besieged by Muslim pilgrims.

'A. Hashemi-Rafsanjani gave a very positive assessment of the results of the Kazakh president's visit to Iran, pointing out that they succeeded in reaching full understanding on practically all questions. "Iran has now set up direct relations with many of the CIS states," 'A. Hashemi-Rafsanjani told an IZVESTIYA correspondent. "They not only include the republics which follow Islam but Russia as well. I hope that Kazakhstan, which is famous for its peace and mediation initiatives, will help us to set up contacts with the other states of the former USSR."

Briefly summing up the visit's results, Nursultan Nazarbayev pointed out that the true face of Iran, which he had seen with his own eyes, little resembles this state's current image as a "country where fundamentalism has been victorious," but rather gives the impression of a fairly liberal country than one which has been crushed by a totalitarian regime.

For my part, I can add that here the black robes which the Persian women wear from head to foot are seen more as something exotic than a sign of religious enslavement. In any case you can see women behind the wheel of a car far more often in Tehran than in Alma-Ata...

Foreign Minister Regrets Arab Reluctance on Ties

PM0911143792 London AL-MAJALLAH in Arabic 4-10 Nov 92 p 40

[Interview with Foreign Minister Khudoyberdy Kholiqnazarov by Mustafa al-Yahyawi in Dushanbe; date not given]

[Text] [Al-Yahyawi] Nearly a year has elapse since your country's independence. Have you been able to draw up a specific foreign policy for dealing with your neighbors? If so, what are the foundations of that policy?

[Khaliknazarov] We obtained our independence less than a year ago and have managed in this relatively short period of time to extricate ourselves from our complete isolation from the world. We have secured the recognition of over 130 world states. Of these, 50 have established diplomatic relations with us. Another 15 states are currently carrying out diplomatic exchange procedures. We have also defined the general foundations of our foreign policy. Its first aim is to establish good-neighborly relations with the adjoining states, namely Iran, Afghanistan, Pakistan, and China. Russian imperialism had isolated us completely from those states.

Our common heritage with neighboring countries like Iran and Afghanistan and the establishment of special relations with them do not prevent Tajikistan from becoming a fully independent state. Nor does it mean at all that those states will be a model for us.

[Al-Yahyawi] But the world is not convinced by these views. It is said in the West that your country will fall under the influence of one of the two regional powers—Turkey or Iran. And that it will be difficult for it to prevent their influence from leaking into that region.

[Khaliknazarov] Let the world say what it wants: We here are doing what we want. That is in principle. As for Turkish and Iranian influence, Tajik society itself has been talking about influences, including Iranian-Turkish influence, since before independence.

Here in Dushanbe there are two main squares, namely Martyrs Square and Liberation Square. People say jokingly that those who frequent Martyrs Square are supporters of Iran and those who frequent Liberation Square are supporters of Turkey. We reject foreign influence, whether Turkey's or Iran's, in our life and regime. After years of Russian imperialism we just want to live free in an independent country called Tajikistan.

[Al-Yahyawi] It is pointed out that there is no Arab diplomatic representation in Dushanbe. What is your interpretation of this Arab absence?

[Khaliknazarov] Their diplomatic, political, economic, and cultural absence not only indicates a laxity on the part of our Arab brothers but also, in our view, shows a complete lack of interest in us, not only here in Tajikistan but in all the republics of Central Asia. We do not really know the reasons for the absence of our Arab brothers, to whom we are bound by the Islamic religion and Arabic culture. We contacted the Arab states following our independence and told them that they would be given priority on an equal footing with the neighboring Islamic states with regard to the establishment of diplomatic ties and cooperation in all spheres, and that the Arabs would be received warmly. We invited them to open embassies here, but a year after country's independence there are, regrettably, no Arab embassies or consulates when, as people are noticing, scores of states are opening their embassies in Dushanbe. And you can imagine the suffering of the Tajiks wishing to travel to Arab countries. They have to travel to Moscow, which is 3,000 km away, for the sake of obtaining an Arab visa. And the problem worsens in the Haj and 'Umrah season, when thousands of citizens have to request entry visas to the Kingdom of Saudi Arabia either via Moscow or via Tashkent, which is also a long way away. In the pilgrimage season last year we had to seek Iran's help.

[Al-Yahyawi] You are currently in the process of preparing a program aimed at opening embassies around the world. Where do the Arab countries fit into your priorities?

[Khaliknazarov] The Arabs' reluctance to open embassies for themselves here does not mean that we are going to ignore the Arab world. As for the priorities with regard to opening embassies, they are as follows: We will begin with the neighboring states with which we have common borders, especially as they have opened embassies in Dushanbe. These are Iran, Afghanistan, Pakistan, and China. Then come the Arab states, India, and Turkey. European and American states come in a third stage.

[Al-Yahyawi] How do you see the future of your relations with Russia, which is now remote from you and separated from you by independent states?

[Khaliknazarov] Russia is remote from us geographically, and we have no common border with it, but we have very strong economic, political, and trade relations inherited from the era of the union with it. These relations must be safeguarded so that chaos and ruin do not dominate our country's economy, which is bound completely to the Russian economy and the economies of the former Union states. Even today our trade exchanges are still conducted almost entirely with Russia and the other Union countries. We export to or purchase from them raw material and finished equipment.

[Al-Yahyawi] Some of Tajikistan's provinces near the border with Afghanistan are witnessing tension. The same applies to Afghanistan itself. What is the effect of this on relations?

[Khaliknazarov] I would like to point out first that domestic incidents in Afghanistan's capital, Kabul, are far from our border and have no direct effect on the situation in our country. However, it must be admitted that the situation on the common border with Afghanistan is indeed tense, owing to the lack of security in some of Tajikistan's border provinces, where bloody conflicts

are taking place among Tajik parties. The government is at the moment unable to bring the situation under control, end to the conflict, or protect the citizens who are defending themselves there.

Turkmenistan

Government Signs Agreements With Kazakhstan, Uzbekistan

OW1011041092 Moscow INTERFAX in English 1722 GMT 9 Nov 92

[From "Business Report"—following item transmitted via KYODO]

[Text] Turkmenistan (a republic in Central Asia with large reserves of natural gas) has concluded bilateral trade and economic agreements for 1993 with Kazakhstan and Uzbekistan.

Under the terms of these agreements Turkmenistan will receive next year from Uzbekistan agricultural technology and up to 29,000 tons of rolled ferrous metals. Kazakhstan will supply 394,000 tons of grain and 16,000 tons of meat. In its turn Turkmenistan will supply its partners with 470,000 tons of diesel fuel, 100,000 tons of petrol, up to 4 mn [million], kilowatt hours of electricity and 7 bn. cub m. [billion cubic meters] of gas.

Accounts will be made according to current prices and by mutual agreement where necessary on a clearing basis, INTERFAX was told by the Deputy Premier of Turkmenistan, Jourakuli Babakuliyev.

Mr Babakuliyev also said that a government delegation would be leaving Turkmenistan for Moscow for the purpose of drawing up and signing a trade and economic agreement with Russia for 1993.

Uzbekistan

Foreign Minister Holds Talks With Iranian Counterpart

LD0611225892 Tehran IRNA in English 1321 GMT 6 Nov 92

[Text] Moscow, Nov. 6, IRNA—Iran's deputy foreign mininster for Euro-American affairs, Mahmud Va'ezi, held separate meetings in Tashkent last night with the Uzbek foreign minister and the latter's deputy for foreign economic relations.

Va'ezi and the Uzbek foreign minister, Ubaidulla Abdurazzaqov, discussed mutual political cooperation, the setting up of consular facilities in the two countries, Tehran-Tashkent air link and the improvement of tourism in Iran and Uzbekistan.

They said the final agreements are to be concluded during the forthcoming trip of Uzbek President Islam Karimov to Iran.

Va'ezi, who earlier yesterday inaugurated the Iranian Embassy in Tashkent, also met the Uzbek deputy foreign minister to review bilateral commercial and economic cooperation. The Uzbek official called for sharing of Iran's technical services.

The two also agreed to establish a joint economic commission soon to boost common grounds of interest between the two countries.

Azerbaijan

Elchibey Views Relations With Turkey, Clinton Election

NC0911153992 Baku TURAN in English 1303 GMT 9 Nov 92

[Text] Baku, 9 Nov (TURAN)—Today, President of Azerbaijan Abulfaz Elchibey gave the press-conference devoted to the analysis of the Republic's rapports with foreign states.

Having summed up the results of the his visit to Turkey, the president said one could trace the tendency of rapprochement of the Turkic states in the economic field and it was quite clear it would not take long time when the sides come to the joint political decisions too. Elchibey stressed the sides did not discuss the question on military co-operation during the talks.

Regarding the prospects of the Azeri-American relations, the president expressed his opinion that the change of the White House's head was not going to change anything in the foreign policy of the USA.

Responding to the question of the TURAN correspondent whether the USA Congress's decision not to render the financial help to Azerbaijan from January 1 of 1992 would affect the Azeri-American relations, the president said "such discriminatory steps of Washington against Azerbaijan hardly meet the American strategical interests. While the countries of Western Europe are strengthening their positions in Azerbaijan, USA does everything to weaken its own."

Elchibey Counting on Long-Term Credit From Turkey

OW0911161592 Moscow INTERFAX in English 1543 GMT 9 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] At a Monday press conference in Baku, Azeri President Abdulfaz Elchibey said that the leadership of the republic planned to sign treaties on security and friendship and cooperation analogous to those signed with Russia and Turkey with the United States, Great Britain, Israel, Iran, and various Arab states.

Analyzing the results of his visit to Ankara, Elchibey pointed out an agreement to grant $250 million in long-term credit to Azerbaijan. "The Turkish side made it clear that depending on how this sum is used, Baku could count on another credit of $250 million." More detailed information regarding Elchibey's press conference will be published in the next edition of Presidential Bulletin.

Foreign Minister Leaves on Middle East Tour

OW0911142292 Baku Azerbaycan Radio Televiziyasi Television Network in Russian 1530 GMT 7 Nov 92

[From the "Telefaks" newscast]

[Text] Foreign Minister Tofik Gasymov today left on a tour of the Middle East. He will visit Egypt, the United Arab Emirates, Saudi Arabia and Kuwait. During the tour, the leader of our Republic's Foreign Ministry will meet his Arab colleagues and heads of states, and they will coordinate and define the scope of future cooperation between our countries. According to representatives of both sides, there are very bright prospects for cooperation, although one must note that it is our Republic first and foremost that stands to gain from speedy development in relations.

Arrives in Cairo

LD0711214192 Moscow ITAR-TASS World Service in Russian 1944 GMT 7 Nov 92

[By ITAR-TASS correspondent Aleksandr Yelistratov]

[Text] Cairo, 7 Nov—"Azerbaijan Foreign Minister Tofik Gasymov arrived in the Egyptian capital this evening on a three-day official visit. He told local journalists at Cairo airport that he intends to hand a personal message from Azerbaijan President Abdulfaz Elchibey to Egyptian President Husni Mubarak; the message "concerns relations between our two states". The head of the Azerbaijan Foreign Ministry said his country has a great desire to "develop cooperation with Egypt in all spheres".

During the visit a protocol will be signed on coordinating positions on various political problems. A commercial treaty will be concluded, as well as a cultural agreement including exchange of specialists and student groups.

It is expected that he will meet Egyptian Foreign Minister Amr Musa on Sunday to discuss mainly the situation in the ex-Soviet republics, Nagorno-Karabakh, the Near East peace process, and prospects for bilateral economic relations. He will then go on to Saudi Arabia.

Georgia

Shevardnadze Views Parliament's Efforts, Abkhaz Conflict

OW0911161492 Moscow INTERFAX in English 1544 GMT 9 Nov 92

[From "Presidential Bulletin" prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko—following item transmitted via KYODO]

[Text] Government head Eduard Shevardnadze gives a positive evaluation of the results of the first days of work of the new Georgian parliament, emphasizing that it is

"trying, under pressure, to be productive regardless of differences of opinion and even occasional clashes."

In a radio address to the people on Monday [9 November], Shevardnazde recalled that the deputies had, according to parliamentary regulations, approved a law on authority, the selection of the head of state and the prime minister, and that the institution of the Council on National Security and Defense had been accepted.

IF [INTERFAX] Note: According to the law on state authority, the chairman of the republic's parliament (the post currently occupied by Mr. Shevardnadze) is the head of state. He is endowed with the authority of being commander-in-chief of the republic's armed forces. Georgia has been declared a "democratic republic." The head of state, jointly with the cabinet of ministers, is the highest executive authority, while the highest legislative body is the parliament. The parliament has confirmed Tengiz Sigua as the republic's prime minister. The law on state authority will be in force until the approval of a new constitution for the republic, which, as stated in the preamble to the constitution, will be adopted on the basis of the continuity of the Georgian constitution of 1921.

Touching on the situation in Abkhazia, Shevardnadze again emphasized the necessity of "an appropriate end to the war in Abkhazia." According to the Georgian chairman, specific steps had already been taken in this direction, though he did not specify which he meant.

Shevardnadze characterized the situation in Sukhumi as "extremely serious:" the city has been left without electricity and running water, and for a month there has been no natural gas. He says that these problems are the fault of the heads of the corresponding ministries and departments. "If the situation does not change in the next few days, they will be removed from their posts," he said.

On the subject of his coming meeting with United Nations representatives in Georgia, Shevardnadze said that he did not put "particular hope" in the republic's representation in the international community. Furthermore, he stressed the importance of the U.N. Representatives' receiving objective information on the situation in Georgia.

Receives UN Delegation

LD0911164092 Moscow ITAR-TASS World Service in Russian 1236 GMT 9 Nov 92

[by ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 9 November—Eduard Shevardnadze, chairman of the Georgian Parliament, today received a UN delegation headed by Fedor Starchevich, personal representative of the secretary general. He has arrived in Tbilisi on a special mission—to open a permanent UN office here and, initially, to direct its activities.

During the conversation Eduard Shevardnadze expressed great gratitude to UN Secretary General Butrus Butrus-Ghali for responding so quickly to Georgia's request that the United Nations open a permanent mission in Tbilisi. Eduard Shevardnadze stressed that the Georgian Parliament will be a reliable guarantor of the undertakings which Georgia has given to the international community.

Abkhaz Leader Ardzinba Views Situation, Russian Troops

LD1011041892

[Editorial Report] Moscow Russian Television Network in Russian at 2020 GMT on 9 November carries a 14-minute recorded interview with Abkhazian Supreme Soviet Chairman Vladislav Ardzinba by commentator Aleksandr Peslyak. The place and date of the interview are not given.

Answering a question on the situation in Abkhazia, Ardzinba recalls 14 August, when tanks, aircraft, and thousands of soldiers suddenly invaded Sukhumi, killing many people. Describing in general terms the situation in Abkhazia during the past three months, Ardzinba says that many institutions and houses have been destroyed. He adds that there have been many cases when people were executed without trial. Moreover, practically half of Abkhazia's population was forced to flee to Russia and other republics.

Ardzinba goes on to say that the population of practically the entire Ochamchir Rayon has fled to the mining town of Tkvarcheli, because many of the rayon's settlements were destroyed. Tkvarcheli is still blockaded, and Russian helicopters delivering food to the town are fired on constantly. Ardzinba says that "the Georgian leadership tries to turn the political conflict between Abkhazia and Georgia into an ethnic conflict. We have many documents proving that weapons were distributed to local Georgians and people of other nationalities with the aim of dragging them into this ethnic conflict."

Ardzinba adds: "One is amazed at the cynicism of the leaders who sent troops to Abkhazia. One is amazed by their claims that this was done to ensure the smooth operation of railroads. There has not been a single disruption in the railroad for almost three months. One also is amazed by their statement alleging that the Abkhazian leadership agreed to the introduction of troops. Moreover, reports and appeals are being addressed to the United Nations containing complaints about Abkhazia, which actually is the object of the aggression."

Ardzinba points out that the idea of transforming the federative state of Georgia into a unitary state and transforming Abkhazia from a multiethnic republic into a monoethnic republic is not new. It was used in 1918-1921 during the setting up of the Georgian democratic republic, when troops also invaded Abkhazia. Asked whether any changes have taken place in the past three

months, Ardzinba points out that the possibility of resolving the problem by peaceful means always has existed, but both sides should show that they are interested in this.

Speaking about Russian troops in Abkhazia, Ardzinba says that "the Abkhazian leadership is prepared to sign a relevant agreement on the status of these troops and on their stay in Abkhazia. We are in no way raising a question on the withdrawal of these troops."

Answering a question on Abkhazia's cooperation with neighboring republics, Ardzinba stresses the importance of stabilizing the situation in the entire Caucasus region, in particular in the northern Caucasus, and eliminating confrontation. He adds: "The aggressive policy of Georgia poses dangers not only to stability in the Transcaucasus, but also in Russia."

Ardzinba adds: "We cannot speak at the United Nations, we are not represented there. Therefore, the Georgian side has an opportunity, and in my view uses it actively to try to mislead the world about the causes of the conflict, what is really happening."

Peslyak asks: "Despite everything, prospects exist. In what way can you sum up you proposals, your position?"

Ardzinba answers: "Democratic transformations are taking place in the former Union, and solutions for mutual relations between various states have been found. For example, the Russian Federation concluded the Federation Treaty without the help of tanks and cannons, but as a result of negotiations. Relations between Abkhazia and Georgia, for example, also can have a similar sound foundation. We are not waging war against the Georgian people. I would even say that we are not waging war with Georgia. We are fighting a policy that is based on using force, on using the army against the people. It is necessary that the State Council troops, introduced in Abkhazia, be withdrawn from Abkhazia. In response, we are prepared to withdraw all those voluntary formations that arrived to support Abkhazia in its fight against the aggression, and we are prepared to sit down at a negotiating table to work out ways to reach an agreement between Abkhazia and Georgia, to have relations that used to exist between Abkhazia and Georgia in 1921."

Estonia

CSCE Envoy To Examine Russian-Estonian Communities Problem

LD1011113492 Moscow ITAR-TASS in English 0947 GMT 10 Nov 92

[Text] Tallinn November 10 TASS—"It has been decided to send a CSCE representative to prevent a conflict between the Estonian and Russian-speaking communities there," the press service of the Estonian Foreign Ministry reports.

This decision was adopted on Friday during a meeting of one of the CSCE committees in Prague. It is to determine the scope of CSCE presence and the required means. Ultimate forms of CSCE representation in Estonia will be worked out at a meeting of CSCE foreign ministers, expected to be held at Stockholm in mid-December.

As noted in the Prague, international presence in Estonia could produce a stabilising effect on the three Baltic republics. CSCE representatives would have a chance to learn in advance about growing tension in regions inhabited by the Russian-speaking population. They would be able to take active measures on the spot in order to promote mutual understanding among different groups of the population.

Government Willing To Begin Talks With European Trade Group

OW1011135892 Moscow BALTFAX in English 1126 GMT 10 Nov 92

[Following item transmitted via KYODO]

[Text] Estonia is willing to begin talks with EFTA [European Free Trade Association] in the near future to set up a free trade zone between Estonia and EFTA countries.

According to the Estonian press service, an appropriate proposal has been submitted to Norway which now chairs EFTA. The proposal is likely to be discussed at the beginning of December at the Geneva meeting of EFTA countries.

Last December EFTA and Baltic countries signed a cooperation agreement. Estonia has separate free trade agreements with EFTA members: Finland, Sweden and Norway.

Nationalist Group Wants To Toughen Citizenship Rules

OW1011031392 Moscow BALTFAX in English 1617 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] Leader of the "Eesti Kodanik" rightist nationalistic movement, Juri Toomepuu, has presented a bill for consideration by the Estonian State Assembly regarding the status of population of the Estonian Republic.

In compliance with the bill, the status of permanent residents in the Estonian Republic can only be granted to the persons who came to the republic on the basis of permanent residence permits issued by the Estonian Republic in compliance with the legislation of 1940 replicated in 1992.

Asked by a BALTFAX correspondent to comment on his proposal, Mr Toomepuu said the Estonian Government is not going to expel all the "illegitimate" residents out of the country. Yet, in his words, before claiming Estonian citizenship, the applicants would need to obtain a visa for permanent residence in the republic.

Juri Toomepuu, a U.S. citizen, a retired colonel of the U.S. Army, is heading the Estonian movement "Eesti Parliament" which stands in opposition to the newly-elected rightist conservative parliamentary majority in Estonia.

Latvia

Parliament Appoints New Foreign Minister

LD1011154192 Moscow ITAR-TASS in English 1454 GMT 10 Nov 92

[By ITAR-TASS correspondent Galina Kuchina]

[Text] Riga November 10 TASS—Georg Andreyev was appointed Latvian foreign minister by the republican parliament on Tuesday. He will replace Janis Jurkans who resigned at the request of the prime minister.

Andreyev, 60, is an ethnic Latvian, a doctor of medicine. He is married with two children.

Andreyev has been for half a year head of the delegation of Latvian parliament to the parliamentary assembly of the European Council where Latvia has the status of a special invitee.

Inflation Rate Soars to 1000 Percent Per Year

WS0911131492 Riga LETA in English 1716 GMT 6 Nov 92

[Text] Riga, November 6 (LETA)—Inflation in Latvia at the moment has soared to 1000 per cent a year, and the negative economic increase economic amounts to 30 per cent. Those figures were released on Wednesday by Oyars Kehris, the chairman of the Economic Commission of the Supreme Council, during a meeting with a delegation of the Economic Commission of NATO North Atlantic Assembly. The chairman of Latvia's economic commission said that the unemployment rate was expected to increase from the present 5-6 per cent to 30 per cent in the next few months. Such figures characterizing the Latvian economy rather raised the eyebrows of the guests from NATO North Atlantic Assembly.

Oyars Kehris expressed a view that the causes of the economic crisis are the 50 years of incorporation into the former Soviet Union with all its grave consequences, inefficient work of the Supreme Council and the government, as well as numerous political problems. The chairman of the economic commission pointed out that it was imperative to support the development of the education system in Latvia.

Lithuania

Democratic Party Official Reproaches Failure To Attract Foreign Capital

OW1011033892 Moscow BALTFAX in English 1617 GMT 9 Nov 92

[Following item transmitted via KYODO]

[Text] Vice chairman of the Democratic Party of Labor of Lithuania (DPLL), also deputy in the republic's new parliament, Gediminas Kirkilas, has reproached the republic's incumbent government for its inability to conduct the policy capable of stimulating foreign investments.

In his article for the "TIESA" daily paper, Mr Kirkilas is pointing to reasons for continuing financial passiveness of western investors, including lack of legislative basis for protecting foreign investments, difficulties associated with rent and acquisition of land, and ongoing feud between the parliament and the government.

Following the DPLL victory in the elections' first round, some persons are expressing concern that the new majority in the republic's parliament is likely to deprive the country of the western credits. These apprehensions come as a result of the statements made by some of the DPLL leaders regarding their intention to reconsider Lithuania's commitments before the International Monetary Fund and other international financial organizations.

Deputy Minister Says Direct Talks Needed With Oil Suppliers

OW0811021792 Moscow BALTFAX in English 1634 GMT 7 Nov 92

[Following item transmitted via KYODO]

[Text] Instead of holding talks on oil supplies with the Russian Government since the beginning of the year, Lithuania should have dealt directly with Russian oil producers, said Lithuanian Deputy Minister for Power Engineering Robertas Tamosiunas.

Upon his return from Moscow, where he took part in the talks on oil supplies to Lithuania in 1992 and 1993, he announced during a press conference in Vilnius that the talks had resulted in Lithuania's enormous debt to oil and gas suppliers, the latter's reluctance to resume cooperation and the Russian Government's unguaranteed supplies of energy and fuel.

Robertas Tamosiunas also said that on Thursday [5 November] Lithuania's Vice-Premier Bronislovas Lubys and Russia's Vice-Premier Aleksandr Shokhin signed a joint communique in which Russia only committed itself to seek possibilities for supplying Lithuania with 600,000-650,000 tons of oil and 1.2-1.3 billion cubic meters of natural gas before the end of 1992. Neither there are any guarantees concerning the year 1993 during which Lithuania is expected to be supplied with 4 billion cubic meters of gas and 1.5 million tons of oil.

During the talks Lithuania had to recognize its debt amounting to 2.6 billion rubles for the natural gas, supplied to it during the third quarter of 1992. This debt is due to the difference between prices on gas established by the Russian Government and claimed by the suppliers. Lithuania owes 1.6 million rubles to oil suppliers, for the same reason.

The reached agreement on payments for energy and fuel in rubles is not guaranteed, either, said Robertas Tamosiunas, because at any moment oil producers may demand that payments be made in dollars.

He said that shortly Lithuania will try to establish new contacts with the Russian oil producers and sign contracts for oil supplies with them.

Next year, Russia will remain Lithuania's chief partner in this field, because in the absence of a terminal, it is far less expensive to import oil from Russia than to buy it in the West, Robertas Tamosiunas said in conclusion.

Minister Deems Official Subsistence Wage Unrealistic

OW0711031092 Moscow BALTFAX in English 1727 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] The realistic minimum subsistence wage in Lithuania is currently estimated at 6,000-7,000 money coupons a month, although the government does not have the means to fund such payments. This was reported at a press conference Thursday by Lithuania's Minister of Social Defense Teodoras Medaiskis.

The official minimum subsistence wage in Lithuania, set August 1, is 1,600 coupons per month.

Talks Stall With Russia on Unauthorized Flights

OW0611202492 Moscow BALTFAX in English 1829 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] Talks between the Lithuanian and Russian military on the use of Lithuania's air space for Russian

military planes' flights ended without any result. On Thursday representatives of the Lithuanian Interior and Home Defense Ministries met in Vilnius with Vice-Commander of the 15th Russian air army, General Dmitriy Lomako.

The meeting was prompted by violations of Lithuania's air space by Russian military aircraft, as well as the Russian military command's unwillingness to observe Lithuanian laws restricting the use of its air space. In the second half of this year the Home Defense Ministry's radars registered nearly 1,700 unauthorized flights of Russian military planes over Lithuania.

Border Guards Acquire Two Frigates From Baltic Fleet

OW0711024992 Moscow BALTFAX in English 1726 GMT 6 Nov 92

[Following item transmitted via KYODO]

[Text] Lithuanian border guard forces acquired two frigates from the Russian Baltic Sea Fleet.

The newspaper "RESPUBLIKA" reported that the ships have a displacement of 1000 tons and are able to reach a speed of 36 knots. They were designed for battling submarines, but the Lithuanian border guard forces will use them as patrol boats.

The ships were built 11 years ago, but were recently thoroughly renovated. Specialists believe they will serve flawlessly for at least another 15 years.

The price at which Lithuania acquired the ships from Russia is being kept secret. Russian military authorities reported some time ago that the sale of ships would be possible only after one private Lithuanian firm closed a contract with the Baltic Fleet on the construction of apartments in Kaliningrad for Russian military personnel being removed from the Baltic states.